



October 8, 2013

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Receive and file the Annual Report of the Downtown Long Beach Parking and Business Improvement Area; approve the proposed budget for Fiscal Year 2014 (FY 14); and authorize the City Manager to execute a contract with the Downtown Long Beach Associates for the period of October 1, 2013 through September 30, 2014. (Districts 1 and 2)

**DISCUSSION**

Downtown Long Beach Associates (DLBA) has three established sources of revenue that pass through the City to the organization. These include business operator assessments, property owner assessments and downtown parking meter revenue sharing. This recommended action relates to business operator assessment funds that are used to promote and market downtown Long Beach on behalf of businesses located in the Downtown Long Beach Parking and Business Improvement Area (DLBPBIA). The City Council approves the property owner assessment separately.

The proposed contract with DLBA requires the City to transmit all DLBPBIA assessment funds collected from downtown businesses to the DLBA every other month. This City Council action estimates DLBPBIA assessment revenue of \$598,026 for the contract period of October 1, 2013 through September 30, 2014 (attached). The DLBA will provide quarterly reports to the City on expenditures and submit an annual report summarizing FY 14 activities.

This matter was reviewed by Deputy City Attorney Amy Webber on September 12, 2013 and Budget Management Officer Victoria Bell on September 19, 2013.

**TIMING CONSIDERATIONS**

The DLBA contract year begins on October 1, 2013. City Council action is requested on October 8, 2013 to allow FY 14 assessment transfers to be made in accordance with the City's contract with DLBA.

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Page 2

FISCAL IMPACT

Sufficient funds are budgeted in the FY 14 Parking and Business Area Improvement Fund (SR 132) in the Department of Public Works (PW) to support these pass-through payments. The FY 14 assessment revenue will fully offset the proposed allocation. Approval of this recommendation will provide continued support to the local economy.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ARA MALOYAN, PE  
ACTING DIRECTOR OF PUBLIC WORKS

APPROVED:



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PATRICK H. WEST  
CITY MANAGER

AM:VSG:jst  
FY 2014 DLB PBIA v3

Attachment: -- DLBA Approved Management Plan and Budget.



## **BUDGET NARRATIVE**

# **FY2013-14**

**Approved by the Board on  
August 21, 2013**

**REVENUE  
FY 2013-2014**

**DPIA:** Downtown Parking Improvement Area (DPIA) self-assessment fees collected through business licenses from Downtown businesses within Downtown Long Beach. The current annual assessment for 2013-14 is approximately \$402.82 per business and \$6.78 per employee, and for Service Based Independent Contractors \$276.65 per business and \$4.66 per employee. **\$598,026**

**PBID:** Property Based Improvement District (PBID) self-assessment fees collected through County of Los Angeles from property owners within a geographical boundary in Downtown Long Beach. The assessment methodology is based on the parcel and building square footage, and linear footage of the property and the level of services rendered to the benefit areas. **\$2,283,367 (gross)**

Category	Actual Rates 2013/14	
	Standard	Premium
Frontage	9.885668572093800000	15.968221113209500000
Lot + Building (Com/Gov)	0.043146725899925400	0.047397713897891100
Lot + Building (Parking)	0.028212042420170400	0.032463030418136100
Lot + Building (Non-Profit/Residential)	0.013277358940415500	0.017528346938381200

**SUCCESSOR AGENCY (RDA)** Funds contracted with Successor Agency for the Redevelopment Agency (RDA) for Marketing, Economic Development, Capital Improvement programs and personnel. **\$350,000**

**PARKING METERS:** Income from parking meter revenue-sharing program (50% net) approved by City Council in FY 2004-05. **\$370,000**

**TICKET / VENDORS:** Funds collected through ticket sales, sponsorships and vendor reservations to help offset costs incurred by the DLBA for special events. **\$417,843**

**CONTRACT/ MISC** Revenue from Clean Team Contract Services funded and provided above and beyond the levels mandated in the PBID Management Plan (e.g., Restroom Host at Long Beach Transit Information Center and Rent reimbursement from Clean and Safe Teams). **\$197,125**

**ALLOCATED RES.:** Three-month PBID carry-forward deferred revenues. **\$556,275**

**TOTAL REVENUE** **\$4,772,636**

## **EXPENSES FY 2013-2014**

The DLBA is the non-profit management organization empowered by the Long Beach City Council to manage two Downtown Business Improvement Districts (BIDs). The Downtown Parking Improvement Area (DPIA) is supported through a special assessment established by business owners, while the Property Based Improvement District (PBID) is sustained with the contribution of the commercial property owners within the District.

### Personnel

To support the programs and services provided by the BIDs, the DLBA administrative team consists of the following:

- President and Chief Executive Officer is to lead, facilitate and motivate personnel to accomplish all DLBA objectives as outlined in the mission statement and the PBID Management Plan. Subject to the direction of the Board of Directors, the President and CEO supervise and direct the day-to-day business and management of the organization and the BIDs.
- Operations Manager is responsible for managing the Clean and Safe Programs and is involved in community outreach programs to address the quality of life.
- Residential Coordinator will provide information, meet regularly with HOAs and resident associations, represent residential perspectives, and trouble-shoot residential issues related to the PBID's environmental services that include cleaning, safety and beautification. This position will pro-actively identify opportunities and concerns from the residential community and seek to connect the appropriate available resources to address issues and capitalize on opportunities.
- Communications Manager is responsible for developing communications protocol and best practices, and coordinates across the various departments and activities of the DLBA.
- Marketing and Special Events Manager's primary objective is to increase awareness and enhance the image of Downtown Long Beach by promoting existing infrastructure and developing new business and customer markets. Responsible for the supervision of all DLBA special events, including sponsorship. Also provides technical assistance to outside organizations and individuals that produce events within the District.
- Marketing Coordinator is responsible for assisting the Marketing Manager on all DLBA marketing efforts including special events and sponsorship.

- Economic Development Manager establishes strong working relations with downtown business and property owners, financial institutions, commercial brokers, developers and local economic development officials to advance downtown interests.
- Economic Development Coordinator is responsible for gathering, analyzing, and cataloging Downtown real estate information to support business recruitment.
- Placemaking Manager facilitates public-private partnerships involving local government and private investors to support DLBA strategic plan by managing the initiatives for the public realm and work with Capital Improvement Projects Committee to oversee related projects.
- Executive Assistant coordinates all administrative functions, which maximize the operating efficiency of the organization. Also motivates staff to operate efficiently and achieve organizational objectives.
- Administrative Assistant supports all departments in the daily administrative and clerical duties.

All salary, taxes and benefits are proportionally shared with all departments based on allocated time by the DPIA and the PBID, except for the Operations Manager (100% PBID).

**GENERAL ADMINISTRATION \$476,788**

General administration expenses include office rent, telephones, computers, office equipment lease, office supplies, postage, general insurance, professional services (including legal and annual audit fees), utilities, depreciation, taxes, accounting services (contract with a private firm), employee recruitment, bank charges, and outside support (temporary staffing as needed).

**ADVOCACY \$103,478**

The DLBA is the leading voice for the Downtown business community and plays a critical role in establishing and achieving objectives set forth by its stakeholders. The DLBA manages Committees, has established Committees, and conducts regular meetings to better serve stakeholders and ensure the quality of life in the central business district. It also acts as a liaison between the business community and many city departments and council offices.

Advocacy expenditures may include conducting workshops and orientations, costs for professional dues and subscriptions, participating in industry-related seminars and conferences or civic events, Board contingency, and the Visitor Information Center.

## **CAPITAL IMPROVEMENT PROJECTS**

**\$435,885**

Under the direction of its Capital Improvement Projects Committee, the DLBA assumes responsibility for working with community partners to create an environment that attracts and retains investment in the Downtown. Developing and supporting capital improvement projects is in accordance with the PBID Management Plan, which stipulates that the Special Project funds generated from assessments within the Standard and Premium service areas should support improvements that enhance the visual appearance of Downtown and may include:

- Seasonal banners and decorations
- Lighting
- Public art
- Street furniture and amenities
- Other activities and improvements that visibly enhance the Downtown environment

## **MARKETING**

**\$213,501**

The DLBA Marketing Department, under the advisory of the Marketing and Special Events Committee, is dedicated to increasing the awareness for and enhancing the image of Downtown Long Beach. This is achieved through year-round promotions, publishing a monthly newsletter, implementing and sustaining public relations activities, maintaining an informative and user-friendly website, and a wide variety of advertising programs and collateral materials.

### **▪ Advertising & Promotions**

Advertising is essential to communicating all Downtown Long Beach has to offer. In efforts to maintain top-of-mind awareness within the community, the DLBA needs to maintain an advertising budget in support of different advertising opportunities that present themselves throughout the year. This will also include holiday promotional advertising for Downtown businesses and DLBA collateral.

### **▪ Communications: Stakeholder Outreach and Public Relations**

On-going communication with the various audiences served by the DLBA, including Downtown stakeholders, residents, visitors, employees and media, is of extreme importance. To that end, the DLBA will communicate consistently with postcards, flyers, mailings, social media, website and other outreach methods as set forth in the organizations Communications Plan.

### **▪ Annual Report**

The DLBA Annual Report serves to highlight the accomplishments and measurable results from each of the departments with the DLBA organization. Produced on an annual basis, the report contains brief descriptions of the DLBA programs initiated within the past Fiscal Year and also provides financial summaries. The Annual Report will be distributed to all local officials, partners and key stakeholders. It will also be available for download via the DLBA website. Quantity: 3,500

- **www.downtownlongbeach.org**

The DLBA's website is a valuable tool for the dissemination of both consumer and business information to interested parties. The website averages approximately 32,000 hits per month, serving more than 9,000 users. The continual update and progress of this site is integral to its success.

## **SPECIAL EVENTS**

**\$889,238**

Special Events offer an exciting means of attracting and generating increased foot traffic to the central business district. Through creating and supporting opportunities for people to experience the urban energy and appeal of the Downtown area, the DLBA can demonstrate its initiative and commitment to enhancing the environment. The goal of the Special Events Department, under the direction and leadership of the Marketing and Special Events Committee, is to manage and centralize all aspects involved with the DLBA's special events programs, including sponsorships, planning and execution in addition to providing technical assistance to outside organizations and individuals that produce events in the Downtown.

- **Events Sponsorship**

These funds are used to partner with other organizations that present sponsorship opportunities in the Downtown to assist in expanding current events, or to seed new and exciting events. Events are based on meeting the sponsorship criteria and chosen with the help of the Marketing and Special Events Committee and DLBA staff's recommendations.

- **Celebrate Downtown**

The 9th annual signature event will be open to all stakeholders as an opportunity to honor downtown partners, as well as highlight the DLBA's accomplishments and programs for the year.

- **New Year's Eve on Pine**

The DLBA will produce this iconic event in two parts. One is a family-friendly component at the Waterfront, including free children's entertainment. The second is an outdoor concert on Pine Avenue, featuring live music and other festive activities.

- **Long Beach Bicycle Festival**

The DLBA will produce the 6th Annual BikeFest Tour of Long Beach at the Waterfront with a bike expo, vendor fair, live music and bicycle tricks, kids' activity area and more.

- **Thunder Thursday on Pine**

The DLBA will produce the 16th Annual Tecate Thunder Thursday on Pine, the official kick-off party to the Toyota Grand Prix of Long Beach. Held along Pine Avenue, between 1st Street and 4th Street, this free event will feature a motor cross demonstration, motorcycle stunts, live music, and a static car display.



- **Summer And Music (SAM) Series**

The 6th Annual Summer And Music (SAM) series will feature local and regional acts, while activating all the major areas of the Downtown throughout the summer.

- **Taste of Downtown Series**

The DLBA will produce a series of three Taste of Downtown events, inviting visitors and residents to enjoy sample-sized portions of signature dishes from restaurants in the Waterfront, East Village Arts District and Pine Avenue neighborhoods.

- **Promenade Beer and Wine Festival**

The DLBA will produce the 2<sup>nd</sup> annual Beer & Wine Festival in support of the growing beer and wine businesses along the Promenade. The event will include beer and wine sampling, food vendors and live entertainment.

## **ECONOMIC DEVELOPMENT**

**\$466,207**

Under the direction of the Economic Development Committee, the Economic Development Department fulfills the role of leading, managing, and collaborating on Downtown initiatives, issues, and programs related to economic development (ED), government relations, marketing, public relations, and stakeholder outreach.

- **ED Marketing**

The on-going Downtown Long Beach Economic Development marketing campaign utilizes the most effective and popular real estate trade journals, and other vehicles for driving ED messaging. Expanding beyond traditional advertising, it also uses PR to deliver certain messages by seeking press coverage.

- **Downtown Economic Profile**

Continuing the production of the Downtown Profile as a stand-alone ED publication, the Profile highlights various data, trends, and forecasts related to economic investment, growth, and potential in Downtown Long Beach. The Profile will chart office space occupancy, retail leasing, residential sales, new business openings, development announcements and progress, concurrent ED initiatives, infrastructure investments, information on arts, culture, and tourism demand generators, trends and analyses of the aforementioned, and a compilation of the accolades received during the preceding year. The Profile will be distributed to all local officials, partner ED agencies, regional partners, tenant representatives, and key stakeholders, and will be available for download via the DLBA website.

- **Business Retention Programs**

While attracting new businesses to Downtown Long Beach may garner significant media attention, an equally important ED strategy is the retention and expansion of the existing businesses. A viable and effective business retention and expansion (BRE) program ensures needs of local businesses are heard and addressed. Examples of the types of BRE programs include: shop local

programming that educates the local segments of consumer demand about the impact of retail leakage, 'meet the proprietor' programs that engage active two-way communication between residential and commercial neighbors, grand opening assistance programs, business retention interviews, and a visual merchandizing program intended to help existing retailers adapt and conform in a competitive retail marketplace.

- **Business / Merchandising Seminars**

As a complement to the indirect outreach of the BRE, the DLBA will produce three seminars directed at improving the retail business climate in Downtown Long Beach. These seminars could include both a workshop and a direct outreach component. Examples of the previous year's seminar concepts include small business marketing and the integration of social media marketing tools.

- **www.downtownlbbusiness.com**

Expand upon the DLBA's ED web portal to include recruitment assistance tools that will assist prospects in estimating their approvals and permitting timelines based upon their desired use and the changes that need to occur in the space.

- **Recruitment Tours / Mixers**

The DLBA will host different types of events for representatives from site selection, brokerage, and business interests to showcase opportunities to do business in Downtown Long Beach. The DLBA will work to host quarterly tours (either bus or walking) and mixers for individuals hoping to learn more about Downtown opportunities.

- **ED Subscription Tools**

Obtain adequate subscriptions to provide access to real estate site selection and brokerage tools such as, Loopnet, and ESRI for updated information on expiring leases, as a medium of capturing accurate information on available commercial listings, and demographic / psychographic analyses.

## **OPERATIONS**

**\$1,548,633**

Under the direction of the Public Safety Committee, the Operations Department is dedicated to the security and maintenance of the 85-block assessment district in the Downtown via the Downtown Clean Team and Safe teams.

### **DOWNTOWN CLEAN TEAM PROGRAM/PERSONNEL**

The Clean Team ensures the central business district remains attractive, clean and appealing for visitors. In order to consistently deal with maintenance issues, a multi-dimensional approach was developed consisting of: sidewalk maintenance, graffiti removal, pressure washing, trash collection, landscape maintenance, paper sign and handbill removal, and maintenance problems requiring third party intervention. The Clean Team provides service as mandated by the PBID Management Plan as well as contracted services outside of the PBID scope which are funded through compensatory revenue and not PBID revenue. An example of contract service is the

agreement between the DLBA and the Long Beach Transit Information Center to provide restroom host service.

- **Sidewalk Maintenance**

Uniformed, radio-equipped personnel sweep litter, debris and refuse from sidewalks and gutters within the District.

- **Graffiti Removal**

The Clean Team removes graffiti by using solvents and pressure washing. The District maintains a zero tolerance graffiti policy. All tags will be removed within 24 hours of notification. For those tags that the Clean Team is unable to remove, a list is sent via fax to the Graffiti Abatement Team with the City of Long Beach, which sends a graffiti removal team out.

- **Sidewalk Pressure Washing**

Pressure washers service 16 to 20 blocks per day, seven days a week. The District standard is to have all sidewalks cleaned every six weeks, with Premium areas cleaned weekly.

- **Landscape Maintenance**

Public landscape areas, tree wells and planters are maintained and kept free of litter and weeds.

- **Paper Sign and Handbill Removal**

Paper signs and handbills that have been scotch-taped or glued on public property, utility boxes, poles and telephones are removed by hand or when necessary, by high pressure hose.

- **Maintenance Problems Requiring Third Party Intervention**

Problems are monitored that create blighted or unsafe conditions in the District, but are outside of the jurisdiction of the DLBA personnel to repair. Requests are made to the responsible party for repair. Types of problems include blocked or damaged sewers or drains, damaged sidewalks, streets, and/or alleys, non-operating street lights, damaged or missing street signs, etc.

#### **DOWNTOWN SAFETY GUIDES PROGRAM/PERSONNEL**

The Downtown Safety Guides support the Long Beach Police Department (LBPD), property owners and tenants in overall crime prevention efforts and reduction in neighborhood street disorder, while offering customer service orientation to pedestrians. They provide highly visible neighborhood security and are intended to supplement, not replace individual building security and the LBPD. They also assist with quality of life issues, and participate in outreach programs.

- **Integration with the LBPD**

The Downtown Safety Guides work closely with the LBPD and integrate the District security program with that of the LBPD, whose officers are active in the development and training of the Safety Guides. The lead Safety Guide on each shift carries and monitors a LBPD radio to ensure good communication.

- **Bicycle Patrol**

Bike Patrols deter aggressive panhandling and other unsuitable street behavior. Their presence is a deterrent to theft and burglary from motor vehicles; however the service does not completely prevent these crimes. They also deter and report illegal street vending, illegal dumping and street code violations. They handle a myriad of quality of life problems including: drinking in public, urinating in public, indecent exposure, trespassing, scavenging and shopping cart confiscation. They also perform goodwill gestures such as escorting employees, helping lost persons and giving directions. In addition, Bike Patrols assist with traffic control in case of accidents, fires or unusual occurrences.

- **Foot Patrol**

The Foot Patrol concentrates on the highest pedestrian-use corridors such as Pine Avenue, the Promenade, CityPlace and The Pike at Rainbow Harbor. The Foot Patrol has the same mission and receives the same training as the Bike Patrol.

- **Segway Patrol**

All Downtown Safety Guides are trained to use a Segway during their daily patrols. The Segways give Safety Guides an elevated perspective that allows greater visibility and better views of activity on the streets. The ease of mobility between the Downtown districts is greatly improved, allowing for quicker response time and more efficient travel between stops.

#### **COMMUNITY OUTREACH**

- The DLBA Residential Coordinator oversees residential outreach services including clean and safe programs. Residential Coordinator also participates in neighborhood association activities and serves as a liaison between residents, the City of Long Beach, the business community and the DLBA.

#### **PBID DELINQUENCY AND RESERVES**

**\$638,904**

Three-month PBID carry-forward deferred revenues. 3% PBID Delinquency per PBID Management Plan.

#### **TOTAL EXPENSES**

**\$4,772,634**