

**H-8**

October 20, 2020

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Receive supporting documentation into the record, conclude the public hearing, and adopt a Resolution continuing the Belmont Shore Parking and Business Improvement Area assessment levy for the period of October 1, 2020 through September 30, 2021; and, authorize the City Manager, or designee, to extend the agreement with the Belmont Shore Business Association for a one-year term. (District 3)

**DISCUSSION**

The Belmont Shore Parking and Business Improvement Area (BSPBIA) was established by the City Council in 1983, allowing for the levy of an annual business license assessment to be paid by businesses located in the BSPBIA. The City of Long Beach (City) contracts with the Belmont Shore Business Association (BSBA) to manage the BSPBIA and the BSBA Board of Directors serves as the Advisory Board to the City Council on matters related to the BSPBIA. The BSBA promotes and markets the commercial area along Second Street using funds generated through the BSPBIA business license assessment.

State law governing Parking and Business Improvement Areas requires that an Annual Report be submitted to the City Council by the Advisory Board designated for this Assessment District. On August 21, 2020, the BSPBIA Advisory Board voted to recommend to the City Council approval of the 2020-2021 BSPBIA Annual Report (Exhibit A to the Resolution).

The Annual Report describes boundaries, proposed activities, and budgetary information, as well as the method and basis for continuation of the assessment. The 2020-2021 BSPBIA Annual Report proposes no change to the BSPBIA boundaries or the method of levying the assessment. Due to the COVID-19 pandemic, the BSPBIA Advisory Board has tentatively canceled all special events until May 2021. Special events are normally a significant portion of the BSBA's annual program. If special events are cancelled for the May through September 2021 period, the BSBA budget may be reduced by corporate-sponsored non-district funds.

To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment. At its October 6, 2020 meeting, the City Council approved Resolution No. RES-20-0127 granting approval of the Annual Report, declaring the intention of the City Council to levy the assessment, and setting October 20, 2020 as the date of the public hearing. A hearing notice, including a copy of the Resolution, was published in the local media.

State law requires that the City Council hear and consider all protests against the assessment, program, boundaries of the area, and/or any benefit zone as proposed in the Annual Report. State law further provides that protests may be made orally or in writing. If written protests are received from area business owners representing 50 percent or more of the proposed assessments, the City Council must not levy the assessment. If protests in such quantity are directed against a specific portion of the program, the City Council must eliminate that portion.

The 2020-2021 BSPBIA Annual Report, transmitting the recommendations of the Advisory Board, proposes the following assessment rates:

**Method of Assessment**

The estimated 2020-2021 fiscal year revenue from business assessments is \$120,000. Assessments are calculated by category of business and incorporate a base rate plus a per employee rate. Businesses categories and rates are as follows:

<b>CATEGORIES</b>	<b>BASE RATE</b>	<b>EMPLOYEE RATE</b>
Financial Institution	\$1,646.22	\$16.50
Service Real Estate Office	\$638.70	\$22.00
Retail – Restaurant w/alcohol & RTE	\$640.19	\$9.63
Retail – Other	\$548.73	\$8.25
Consulting	\$425.80	\$22.00
Construction Contractor	\$425.80	\$22.00
Insurance Agent Professional	\$425.80	\$22.00
Professional	\$425.80	\$22.00
Service – Other	\$319.35	\$16.50
Misc. Rec/Ent, Vending, Manufacturing, Unique & Wholesale	\$319.35	\$16.50
39% Reduced Rate for Service-related Independent Contractors	\$194.80	\$16.50
Non-profits	0.00	0.00

Each year, the City calculates the Consumer Price Index (CPI), an adjustment for consumer goods and services, and applies the CPI to various City fees on July 1st of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The BSPBIA Advisory Board has decided not to request a July 2021 CPI adjustment.

This matter was reviewed by Deputy City Attorney Amy R. Webber and Budget Management Officer Rhutu Amin Gharib on October 1, 2020.

**TIMING CONSIDERATIONS**

City Council action is requested on October 20, 2020, so that Fiscal Year 2021 (FY21) assessment transfers may be made as required by the Agreement for Funding with the BSBA.

FISCAL IMPACT

It is estimated that the BSPBIA will generate \$120,000 in FY 21 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the BSBA through additional fees attached to BSPBIA business licenses and passed directly through to the BSBA for implementation of annual programs. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER  
DIRECTOR OF ECONOMIC DEVELOPMENT

JK:ER

ATTACHMENT – RESOLUTION

APPROVED:



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THOMAS B. MODICA  
CITY MANAGER

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH CONFIRMING, FOLLOWING HEARING, THE ANNUAL REPORT OF THE BELMONT SHORE BUSINESS ASSOCIATION, CONTINUING THE LEVY OF ANNUAL ASSESSMENT AS SET FORTH IN SAID REPORT AND SETTING FORTH OTHER RELATED MATTERS

WHEREAS, pursuant to Section 36533 of the California Streets and Highways Code, the Belmont Shore Business Association has caused a Report to be prepared for Fiscal Year 2020-2021 relating to the Belmont Shore Parking and Business Improvement Area which is located along the commercial corridor of Second Street generally between Livingston Drive and Bayshore Avenue within the City of Long Beach; and

WHEREAS, said Report contains, among other things, all matters required to be included by the above-cited Section 36533; and

WHEREAS, on October 20, 2020 at 5:00 p.m., the City Council conducted a public hearing relating to that Report in accordance with its Resolution of Intention No. RES-20-0127, adopted October 6, 2020, at which public hearing all interested persons were afforded a full opportunity to appear and be heard on all matters relating to the Report as well as past years' proceedings and assessments; and

WHEREAS, a majority protest not having been received, it is the City Council's desire to confirm the Report as originally filed and continue the levy of the Annual Assessment as described in the Report;

NOW THEREFORE, the City Council of the City of Long Beach resolves as follows:

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
411 West Ocean Boulevard, 9th Floor  
Long Beach, CA 90802-4664



# EXHIBIT "A"



# **2020-2021 Annual Report Belmont Shore Parking and Business Improvement Area**

SUBMITTED BY THE BELMONT SHORE BUSINESS ASSOCIATION  
AUGUST 21, 2020

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## DISTRICT OVERVIEW

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### District Background

In 1983, the City Council of the City of Long Beach adopted Ordinance C-5963, which established the Belmont Shore Parking and Business Improvement Area, providing for the levy of an additional business license assessment to be paid by businesses in the Belmont Shore commercial corridor. In 2008, the City Council of the City of Long Beach adopted Ordinance 08-0026 modifying the boundaries of the Belmont Shore Parking and Business Improvement Area. Assessment revenues are generally spent on activities that market the corridor and area businesses and promote a safe, clean, and vibrant environment.

The organization overseeing the management of the Belmont Shore Parking and Business Improvement Area is the Belmont Shore Business Association, a nonprofit organization incorporated on May 21, 1948 under California State law. The purpose of the Belmont Shore Business Association is to form a common bond among business owners located in and around the Belmont Shore area whose goals are to promote, protect, and maintain prosperity for the Belmont Shore Community. This association is for its members and the immediate community, providing a united front to express opinions, protect tranquility and promote a better understanding among merchants, institutions, professionals, as well as residents.

# Belmont Shore Parking and Business Improvement Area Boundary Map



## Proposed Changes

The Belmont Shore Business Association Board of Directors proposes no changes to the district boundary for 2020-2021.

### District Advisory Board

The Belmont Shore Business Association Board of Directors serves as the Advisory Board to the City Council of the City of Long Beach on matters related to the Belmont Shore Parking and Business Improvement Area.

The Belmont Shore Business Association has 14 available positions on its Board of Directors. Five of the 14 elected directors serve as officers of the Association. All (14) of the Directors and the officers are known as the Board of Directors. Elections for the 2020-21 Board of Directors is the Summer of 2020. An elected board member term of office is two years. Officers are voted in every year by the Board of Directors in September before the new terms begin.

### Officers

PRESIDENT ..... Mike Sheldrake, Polly's Gourmet Coffee  
1st VP OF FINANCE..... Dave Shlemmer, Shlemmer Investments  
VP OF PROMOTIONS..... Aaron Tofani, Rance's Pizza  
SECRETARY ..... Matt Peterson, Legends  
TREASURER..... Tula Trigonis, Salon Soma

### Directors

Bart De Lio, Thatinsurnaceguy.com (Associate Member)  
Heather Duncan, Blue Windows  
Stacy Evans, Domenico's  
Eric Johnson, Legends Sports Bar & Restaurant  
Deanny Lungu, Lungo Law Group  
Joel McCullough, Mac's on 2<sup>nd</sup>  
Lisa Ramelow, La Strada  
Brent Scheiber, LB Tap House

### District Personnel

Dede Rossi, Executive Director

## METHOD OF ASSESSMENT

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Assessments are calculated by category of business and incorporate a base rate plus a per employee rate. Business categories and rates are as follows:

<b>CATEGORIES</b>	<b>BASE RATE</b>	<b>EMPLOYEE RATE</b>
Financial Institution	\$1,646.22	\$16.50
Service Real Estate Office	\$638.70	\$22.00
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Misc. Rec/Ent, Vending, Manufacturing, Unique & Wholesale	\$319.35	\$16.50
39% Reduced Rate for Service-related Independent Contractors	\$194.80	\$16.50
Non-profits	0.00	0.00

### Proposed Changes

The Belmont Shore Business Association Board of Directors proposes no changes to the method and basis of levying the assessment.

### Consumer Price Index Adjustment

The Belmont Shore Business Association Board of Directors is not requesting a Consumer Price Index adjustment for the 2020-2021 contract year.

## BUDGET

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### 2020 – 2021 Estimated Budget

	<b>INCOME</b>	<b>BUDGET</b>	<b>BIA FUND</b>	<b>PROMOTIONS</b>
<b>4200</b>	<b>Membership Dues</b>			
4210	BIA Fund		120,000.00	
4220	Associate members		500.00	
	<b>4200 TOTAL</b>		<b>120,500.00</b>	
<b>4400</b>	<b>Corporate Sponsorship</b>			
4420	Car Show	15,000.00		15,000.00
4485	Chocolate Festival	0.00		0.00
4440	Stroll & Savor	0.00		0.00
4470	Christmas Parade	0.00		0.00
4495	Art Walk	0.00		0.00
	<b>4400 TOTAL</b>	<b>15,000.00</b>		<b>15,000.00</b>
<b>4600</b>	<b>Investment Returns</b>			
4610	Interest on Checking	25.00		25.00
	Heartland	75.00		75.00
	<b>4600 TOTAL</b>	<b>100.00</b>		<b>100.00</b>
<b>4800</b>	<b>Promotional Events</b>			
4820	Car Show	10,000.00		10,000.00
4840	Stroll & Savor			
4842	May	20,000.00		20,000.00
4844	June	43,000.00		43,000.00
4845	July	43,000.00		43,000.00
4846	August	43,000.00		43,000.00
4870	Christmas Parade	0.00		0.00
4885	Chocolate Festival	0.00		0.00
4895	Roar in the Shore	0.00		0.00

159,000.00 120,500.00 159,000.00

174,100.00 120,500.00 174,100.00

**Income Total 294,600.00**

	<b>EXPENSES</b>	<b>BUDGET</b>	<b>BIA FUND</b>	<b>PROMOTIONS</b>
<b>6200</b>	<b>ADMINISTRATION</b>			
6201	Independent Contractors	70,000.00	70,000.00	
6220	Rent	25,000.00	25,000.00	
6230	Office	2,000.00	2,000.00	
6232	Postage	100.00	100.00	
6234	Printing	5,000.00	5,000.00	
6236	Supplies	2,000.00	2,000.00	
6238	Equipment	2,000.00	2,000.00	
6240	Insurance	6,500.00	6,500.00	
6250	Telephone	2,600.00	2,600.00	
6260	Accounting	1,125.00	1,125.00	
6270	Meetings/Mixers	1,600.00	1,600.00	
6280	Dues & Subscriptions	500.00	500.00	
	<b>6200 TOTAL</b>	<b>118,425.00</b>	<b>118,425.00</b>	
<b>6600</b>	<b>ONGOING PROMOTIONS</b>			
6660	Marketing	16,575.00		16,575.00
6852	Entertainment	10,000		10,000
6612	Christmas Decoration	6,100		6,100
6630	Welcome Wagon	500		500
6640	Shore Corp	2,000		2,000
	<b>6600 TOTAL</b>	<b>35,175.00</b>		<b>35,175.00</b>
<b>6800</b>	<b>PROMOTIONAL EVENTS</b>			
6896	Roar in the Shore	0.00		0.00
6820	Car Show	6,000.00		6,000.00
<b>6840</b>	<b>Stroll &amp; Savor Series</b>	0.00		0.00
6842	May	16,000.00		16,000.00

6844	June	38,000.00		38,000.00
6845	July	38,000.00		38,000.00
6846	August	38,000.00		38,000.00
6870	Christmas Parade	0.00		0.00
6855	Art Walk	0.00		0.00
6865	Holiday Shopping	5,000.00		5,000.00
6885	Chocolate Festival	0.00		0.00
		<b>141,000.00</b>	118,425.00	<b>141,000.00</b>
	<b>EXPENSE TOTAL</b>	<b>294,600.00</b>		

#### Surplus or Deficit Carryover

The Belmont Shore Business Association does not anticipate any surplus or deficit business improvement district assessment revenues to be carried over from the previous fiscal year.

#### Contributions from Other Sources

The Belmont Shore Business Association has multiple sources of income outside of the Belmont Shore Parking and Business Improvement Area assessments. These sources of income include: corporate sponsorships, promotional events, associate memberships, and investment returns. The estimated income for these sources is listed in the estimated 2020 – 2021 revenue section of this report. In total, contributions from other sources are expected total \$174,600.

### BELMONT SHORE BUSINESS IMPROVEMENT DISTRICT PROGRAM

#### 2020 – 2021 Program

##### Member Communication

Most of the BSBA office to BSBA member communication will be done by email, e-news and the monthly BSBA meetings. We have added zoom and phone communication. Information will include updates on grants, loans, and all information pertaining to COVID-19. Meeting dates, special events, advertising deals, business opportunities and promotions,

##### Marketing & Social Media

The BSBA district is marketed as a destination and as a local place to go. Ads will be placed in the Travel host magazine, LBCVB, Grunion Gazette, Business Journal, LB Post, 908, Press Telegram and the Beachcomber. Social media includes Instagram, Facebook, and Twitter. BSBA manages multiple social media handles to highlight businesses, promote special events and other local activities,

Our websites: [www.belmontshore.org](http://www.belmontshore.org) and [www.virturalon2nd](http://www.virturalon2nd) (for people who want to shop from home). Advertising on pole banners, and Big Belly trash receptacles.

### Community Outreach

The BSBA Executive Director or a BSBA Board Member attend the following monthly community meetings: Belmont Shore Residents Association (BSRA), Friends of Belmont Shore (FOBS), other residential meetings and meetings organized by the 3<sup>rd</sup> District Council office.

The Executive Director attends the monthly or weekly zoom meetings of Council of Business Associations (COBA) and the Belmont Shore Parking & Business Improvement Area Advisory Commission (BSPBIAAC).

### Security

The BSBA coordinates with the Police Department's East Division and has them attend monthly BSBA meetings if we need any updates. We have security officers on bikes from Thursday – Monday, during the day. Their hours can change depending on our needs.

### Special Events

The BSBA host several events each year. As of the fiscal-year 2020-2021, the BSBA has canceled all events until May, 2021. In our projected revenue budget, we have included revenue, but only if we are able to plan and host our spring and summer events that include our Stroll and Savor series and our annual Belmont Shore Car Show. If there is a chance the events may be cancelled due to the pandemic, our budget will change.