



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

June 13, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Recommendation to receive supporting documentation into the record, conclude the hearing, and declare the Ordinance, reducing the Downtown Long Beach Parking and Business Improvement Area assessment rate for independent contractors in service-related retail business operations, read the first time and laid over to the next regular meeting of the City Council for final reading. (Districts 1 and 2)

## DISCUSSION

Downtown Long Beach Associates (DLBA) uses business license assessment funds to promote and market downtown Long Beach on behalf of businesses located in the Downtown Long Beach Parking and Business Improvement Area (DLBPBIA). The DLBA manages funds to be collected to accomplish promotional activities and other services.

On February 15, 2006 the DLBPBIA Board of Directors approved a reduction in the DLBPBIA assessment rate for selected businesses. To make this change, State law requires that a public hearing be held and that the City Council hear and consider all protests against the assessment change. On May 23, 2006, City Council reviewed this proposed change and approved Resolution RES-06-0048 setting a June 13, 2006 hearing date.

Following the public hearing, the City Council may adopt the attached resolution as filed, or as amended by the City Council during these proceedings. The adoption of the resolution sets the assessment levy for independent contractor licensees engaged in business secondary to another service business, such as a real estate office or salon. This change will modify the DLBPBIA assessment structure to match the 39 percent discount provided by the City of Long Beach Business License Division for secondary licensees as defined in Section 3.80.243 of the Municipal Code. The assessment rate shall adjust each July 1, beginning July 1, 2006, by the amount of the most recent change in the Consumer Price Index for the area.

The law provides that protests may be made orally or in writing. Protests regarding the regularity or sufficiency of the proceedings shall be in writing. At the hearing, if business owners representing 50 percent or more of the district assessment object to the proposed change, the change will fail. If a majority does not object, the City Council may approve the new rate by adopting the attached resolution to that effect.

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A copy of RES 06-0048 was mailed to all businesses in the district on May 26, 2006. A hearing notice and copy of the resolution was also published in local media as required. There is an ordinance attached amending ordinances C-5670 and C-6462.

This letter was reviewed by Assistant City Attorney Heather Mahood on May 25, 2006, Budget Management Officer David Wodynski on June 1, 2006, and the City Treasurer's Office on May 30, 2006.

### TIMING CONSIDERATIONS

The assessment amount specified in the attached resolution is calculated based on the current Consumer Price Index adjusted rate. If this resolution is not adopted prior to July 1, 2006, the assessment rate listed in the resolution must be revised to apply the new average Consumer Price Index to the assessment rate. City Council action is requested following the public hearing on June 13, 2006.

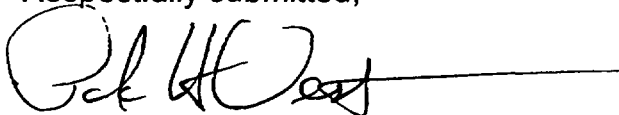
### FISCAL IMPACT

This reduction in assessment fees charged to secondary licensees will reduce DLBA assessment revenue in future years. The amount of reduction will be based on the number of secondary licensees within the district. The estimated first year revenue reduction is approximately \$5,000. This reduction will be factored into the association's Fiscal Year 2007 Budget. There will be no impact on the General Fund.

### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST  
DIRECTOR OF COMMUNITY DEVELOPMENT

RH:tb

Attachment: Ordinance

APPROVED:

  
for GERALD R. MILLER  
CITY MANAGER