

January 17, 2023

H-14

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 Fourth Street Parking and Business Improvement Area assessment levy for the period of October 1, 2022, through September 30, 2023; and, authorize the City Manager, or designee, to extend the agreement with the Fourth Street Business Improvement Association for a one-year term. (District 2)

DISCUSSION

The Fourth Street Parking and Business Improvement Area (FSPBIA) was established by the City Council in 2007, allowing for the levy of an annual business license assessment to be paid by businesses located in the FSPBIA. The City of Long Beach (City) contracts with the Fourth Street Business Improvement Association (FSBIA) to manage the FSPBIA and the FSBIA Board of Directors serves as the Advisory Board to the City Council on matters related to the FSPBIA. The FSPBIA promotes and markets the FSPBIA using funds generated through the FSPBIA business license assessment.

State law governing Parking and Business Improvement Areas requires that an annual report be submitted to the City Council by the FSBIA Advisory Board. On October 22, 2022, the FSPBIA Advisory Board voted to recommend to the City Council approval of the 2022-2023 FSPBIA Annual Report (Annual Report - Exhibit A to the Resolution), which describes boundaries, proposed activities, and budgetary information, as well as the method and basis for the continuation of the assessment. The Annual Report proposes no change to the FSPBIA boundaries or the method of levying the assessment and no significant change to proposed activities.

To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment. On December 6, 2022, the City Council approved Resolution No. RES- 22-0203 granting approval of the Annual Report, declaring its intention to levy the assessment, and setting January 17, 2023 as the date of the public hearing. A hearing notice, including a copy of the Resolution, was published in the local media.

State law provides 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 will not levy the assessment. If protests in such quantity are directed against a specific portion of the program, the City Council will eliminate that portion.

The Annual Report, transmitting the recommendations of the Advisory Board, proposes the following assessment rates:

Method of Assessment

Business License Category	Annual Rate
Financial/Banking & Insurance	\$200
Service: Real Estate Offices	\$200
Retail: Restaurant w/Alcohol & RTE	\$200
Retail: Other	\$200
Consulting	\$200
Construction Contractor	\$200
Professional	\$200
Service: Other	\$200
Misc.: Recreation/Entertainment, Vendors, Manufacturing, Wholesale	\$100
Commercial Space Rental	\$100
Non-profit Business Operations	\$100
Residential Property Rental	n/a
All Secondary Licensees	n/a

Each year, the City calculates the Consumer Price Index (CPI) 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 FSBI Advisory Board has decided not to request a CPI adjustment for Fiscal Year 2023.

This matter was reviewed by Deputy City Attorney Marsha Yasuda on December 16, 2022 and by Budget Operations and Development Officer Rhutu Amin Gharib on December 19, 2022.

TIMING CONSIDERATIONS

City Council action is requested on January 17, 2023, so that the Fiscal Year 2023 (FY 23) assessment transfers may be made as required by the Agreement for Funding with the FSBI.

FISCAL IMPACT

It is estimated that the FSPBIA will generate \$12,044 in FY 23 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the FSPBIA through additional fees and passed directly through to the FSBI 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.

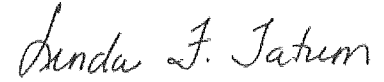
Respectfully submitted,



BO MARTINEZ
DIRECTOR OF ECONOMIC DEVELOPMENT

ATTACHMENT: RESOLUTION

APPROVED:



THOMAS B. MODICA
CITY MANAGER



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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH CONFIRMING, FOLLOWING HEARING, THE ANNUAL ASSESSMENT REPORT OF THE FOURTH STREET PARKING AND BUSINESS IMPROVEMENT AREA, 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 Fourth Street Business Improvement Association has caused a Report to be prepared for October 1, 2022 through September 30, 2023 relating to the Fourth Street Parking and Business Improvement Area (“FSPBIA”); and

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

WHEREAS, on January 17, 2023 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-22-0203, adopted December 6, 2022, at which public hearing all interested persons were afforded a full opportunity to appear and be heard on all matters relating to the Report; and

WHEREAS, a majority protest not having been received, it is the City Council's desire to confirm the Report as originally filed and impose 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:

Section 1. A public hearing having been conducted on January 17, 2023 at 5:00 p.m., and all persons having been afforded an opportunity to appear and be heard,

OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802

1 the City Council hereby confirms the Report of the Fourth Street Business Improvement
2 Association, previously filed and approved by Resolution No. RES-22-0203, adopted
3 December 6, 2022, as originally filed, and declares that this resolution shall constitute the
4 levy of the Assessment referred to in the Report for October 1, 2022 through September
5 30, 2023, as more specifically set forth in Exhibit "A".

6 Section 2. This resolution shall take effect immediately upon its adoption
7 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted by the City Council
9 of the City of Long Beach at its meeting of _____, 2023, by the
10 following vote:

11
12 Ayes: Councilmembers: _____
13 _____
14 _____
15 _____

16 Noes: Councilmembers: _____
17 _____
18 _____

19 Absent: Councilmembers: _____
20 _____
21 _____

22 Recusal(s): Councilmembers: _____
23 _____
24 _____

City Clerk

OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802

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EXHIBIT "A"



2022-2023 Annual Report Fourth Street Parking and Business Improvement Area

SUBMITTED BY FOURTH STREET BUSINESS IMPROVEMENT
ASSOCIATION

OCTOBER 24, 2022

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DISTRICT OVERVIEW

District Background

Colloquially nicknamed “Retro Row,” the area along Fourth Street between Cherry and Temple Avenues is known locally, regionally as well as internationally for its eclectic style and storefronts, independent spirit, retro-inspired mix of shops and services and variety of attractions which can fulfill an entire day and/or evening for any age group. Retro-Row proudly offers shopping including vintage, kitsch, new boutique, designer high-end furniture and fixtures, books, plants, art and music as well as a broad variety of restaurants, coffee shops, vegan ice cream and juice bars, salons and barber shops, an independent art house movie theatre, bars and live music!

Conceived by a coalition of Fourth Street business owners, the Fourth Street Parking and Business Improvement Area (FSPBIA) is a benefit assessment district formed on September 11, 2007 by Ordinance 07-0043 to attract customers to the Fourth Street shopping area.

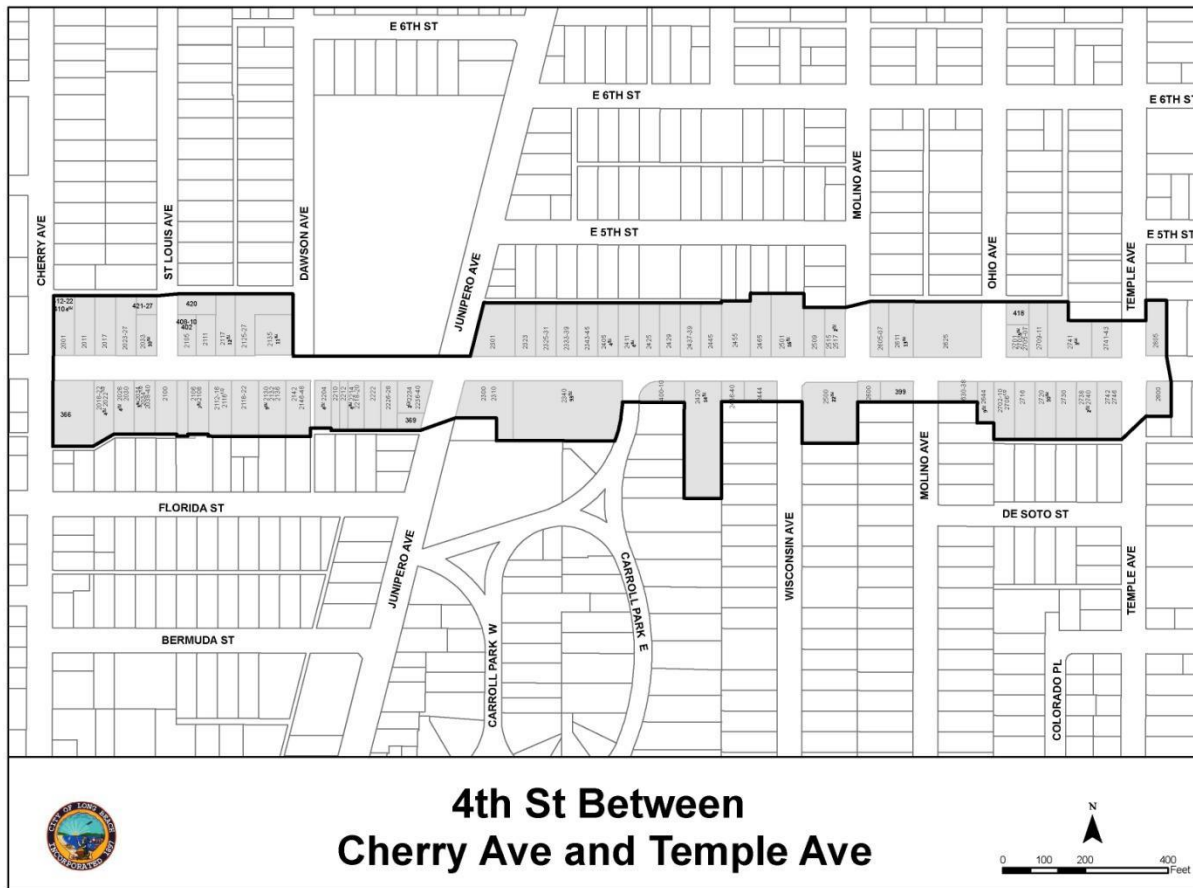
The purpose of FSPBIA is to actively promote and market the Fourth Street shopping district as a destination through events, neighborhood clean-ups, community outreach, and advertising. The Fourth Street Business Improvement Association (FSPBIA) manages FSPBIA under contract with the City of Long Beach.

Fourteen years after the inception of the Business Improvement District, the FSPBIA continues to evolve, expanding its already unique mix of shopping, dining, and entertainment experiences. Since the eastward expansion of FSPBIA to Temple Ave in 2015, FSPBIA continues to actively solicit the participation of new affiliate member businesses with an eye toward possible westward expansion in the coming years. The Association continues to actively encourage participation of existing members through monthly meetings, events meetings, regular and transparent communications, and improved access to BID resources. Building on the ongoing successes of hiring our first BID Administrator, City Council approved parking meters and continuous community outreach, the BID continuously reviews its persona to the physical consumers that visit the area as well as our perception on social media. Using Retro Row’s established reputation for diverse and unique offerings, additional emphasis is being placed on street-wide events and attractions in order to broaden its appeal to a changing consumer demographic, and to creatively manage the ever-increasing effects of online shopping habits on traditional retail sectors.

Since the outbreak of COVID-19, the BID has concentrated its efforts on the ever-changing protocols and management of information surrounding it. A large portion of our budget continues to be used on admin services to keep our stakeholders informed and up to date with the most current status of protocols. This has been especially beneficial, as COVID-19 has forced many of our businesses to operate under a limited scope.

Fourth Street Parking and Business Improvement Area Boundary

Fourth Street between Cherry Avenue and Temple Avenue East.



Proposed Changes

The Fourth Street Business Improvement Association Board of Directors proposes no changes to the district boundary for 2022-2023.

District Advisory Board

Officers

Co-President	Dan Rossiter, Old Gold
Co-President	Drake Woodson, Relics
Treasurer	Kathleen Schaaf, Meow
Secretary	Kerstin Kansteiner, Art du Vin / Art Theatre

Directors

Dynelly de Valle, PIPPI + LOLA
May Salem, Native Sol
Ty Ward, Earthing

Monthly Board Meetings

First Tuesday of the month at the Art Theatre, 2025 E. 4th Street, Long Beach, CA 90814 at 9:30am.

District Personnel

Sierra Crabtree, BID Administrator. Sierra is responsible for attending all meetings and taking minutes, creating and sending out all meeting agendas and reminders and any other administrative support that the BID needs.

METHOD OF ASSESSMENT

Assessments are calculated as follows:

Business License Category	Annual Rate
Financial/Banking & Insurance	\$200
Service: Real Estate Offices	\$200
Retail: Restaurant w/Alcohol & RTE	\$200
Retail: Other	\$200
Consulting	\$200
Construction Contractor	\$200
Professional	\$200
Service: Other	\$200
Miscellaneous: Rec/Ent, Vend, Manf, Uniq, Whlsl,	\$100

Commercial Space Rental	\$100
Non-profit Business Operations	\$100
Residential Property Rental	n/a
All Secondary Licensees	n/a

Proposed Changes

The Fourth Street Business Improvement Association Board of Directors proposes no changes to the method and basis of levying the assessment.

Consumer Price Index Adjustment

The Fourth Street Business Improvement Association Board of Directors is not requesting a Consumer Price Index adjustment for the 2022-2023 contract year.

BUDGET

Projected Budget

INCOME

Annual Assessment Revenue	\$12,044.00
Associate Member Dues	\$1,200.00
4 th and Cherry Parking Lot	\$98,868.78
Special Events Income	\$9,216.01
Recovery Act Funding	\$79,980.00
TOTAL INCOME	\$201,308.79

EXPENSES

Marketing

Social Media Management	\$32,000.00
Paid Advertisements	\$2,850.00
Monthly Email Marketing	\$1,750.00
Marquee Restoration	\$2,500.00
Banner Printing & Installation	\$9,200.00
Sub Total	\$48,300.00

Events

4th Fridays	\$5,000.00
No Parking on the Dance Floor	\$3,000.00
Event Entertainment	\$9,400.00
Vendor Coordinators	\$7,200.00
Event Security	\$1,200.00
Annual Permit	\$902.00
Collateral Print & Design	\$4,882.44
Sub Total	\$31,584.44

Maintenance & Beautification

Landscape & Garden Maintenance Upkeep	\$2,160.00
Litter and Weed Abatement	\$1,380.00
Monthly Sidewalk Power Washing	\$22,800.00
Mural Creation	\$1,500.00
Misc / Maintenance	\$1,000.00
Waste Management	\$1,000.00
Sub Total	\$30,740.00

Management Expenses

Rent for Parking Lot	\$24,000.00
Insurance / Tax Prep / Bookkeeping	\$9,701.16
4th Street BID Administrator Salary	\$16,000.00
Recovery Act Administration	\$6,000.00
Website	\$300.00
Ring Cameras	\$1,000.00
Garage Storage Rent	\$3,424.00
Parking Lot Patrol	\$30,259.19
Sub Total	\$90,684.35

TOTAL EXPENSES **\$201,308.79**

Surplus or Deficit Carryover

RESERVES **\$17,432.77**

FOURTH STREET BUSINESS IMPROVEMENT ASSOCIATION PROGRAM

2022 – 2023 Program

Marketing

The Fourth Street Business Improvement Association has retained the services of Islett Media Services to manage all social media content, updates, and postings for the 4th Street Instagram, Facebook, TikTok and Twitter platforms to promote Retro Row and its affiliated merchants in conjunction with existing marketing and advertising efforts.

Events

After several events were cancelled due to the pandemic, The Fourth Street Business Improvement Association optimistically and safely resumed events on February 25, 2022. A significant investment will be made in 4th Street events with a major focus on our monthly Fourth Friday's event. Fourth Friday's activates the business district with live music, a variety of other entertainers, artists and vendors to promote the district and increase foot traffic.

Maintenance & Beautification

Continued dedicated funding retaining the monthly services of a landscaping company to maintain the parking lot at the corner of 4th and Cherry, and the Garden Walk alongside Burbank Elementary School. Throughout the pandemic, the BID has focused on continuous clean ups, maintenance, safety, encampment clean ups and monitoring abandoned storefronts.

Management

A volunteer board made up of business owners within the district manages the Fourth Street BIA. Aside from ongoing insurance and accounting service expenses, the Association relies on a dedicated administrative position to take and post monthly meeting notes, maintain and update email contact lists, run reports, and perform ongoing miscellaneous administrative support. This portion of our budget is also utilized for the lease expense of the 4th and Cherry parking lot, tax and insurance preparation, and the rental of a utility storage space on 4th St. Additionally, we also contract an outside company to patrol the parking lot on 4th and Cherry which will ensure that our income for the parking lot remains consistent.

The FSPBIA Service Plan Budget provides for funding for marketing, promoting and maintaining the cleanliness and attractiveness of the 4th Street district. Although a relatively small district with a relatively small number of participants, the Association continues to aggressively and creatively manage a modest budget to facilitate and promote events, as well as to maintain the overall cleanliness and “curb appeal” of the Retro Row corridor.

Effective January 2016, the FSPBIA became the official lessee of the parking lot at the corner of 4th and Cherry, which was previously managed directly by the City of Long Beach. The installation of a new parking meter system, in combination with adjusted parking rates, have resulted in additional monthly revenue for the BID.

FOURTH STREET BUSINESS IMPROVEMENT ASSOCIATION GOALS 2022-2023

Clean and Safe

- **Additional Security Lighting, Bulb Replacement**

- Pursue sponsorship (City Light & Power, SCE) to replace dead light bulbs and bring additional security lighting where needed

- **Ring Cameras**

- Purchase security cameras to place throughout the BID

- **Custodial Staff**

- Increase hours for custodial staff position to regularly monitor overall street cleanliness and address issues as needed.

- **Programming**

- Organize workshops to provide safety information and resources to the community

Placemaking

- **Light Pole Banners**

- Utilize Recovery Act funding to add banners on 4th from Temple to Cherry
- 4th Street Marquee Repair

Revenue

- Increase business license rates