



CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

333 West Ocean Boulevard 3rd Floor • Long Beach, CA 90802 • (562) 570-6099 FAX (562) 570-6380

August 2, 2016

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution approving the Annual Report for October 1, 2016 to September 30, 2017 for the Fourth Street Parking and Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for September 20, 2016. (District 2)

DISCUSSION

The Fourth Street Improvement Association (FSIA) promotes and markets the Fourth Street commercial area using funds generated through the assessment of area businesses located in the Fourth Street Parking and Business Improvement Area (FSPBIA). State law governing Parking and Business Improvement Areas requires that an Annual Report be submitted to the City Council by the Advisory Commission designated for the Assessment District. On July 5, 2016, the FSPBIA Advisory Commission voted to recommend to the City Council approval of the FSPBIA Annual Report (Exhibit A to Resolution).

The Annual Report describes the boundaries, proposed activities and budgetary information, as well as the method and basis for continuation of the assessment. The Annual Report proposes no significant change in the method of levying the assessment and no significant change to proposed activities.

The recommended Resolution grants approval of the Annual Report, declares the intention of the City Council to levy the assessment for proposed activities, and sets the date of the public hearing for September 20, 2016.

This matter was reviewed by Deputy City Attorney Amy R. Webber on July 12, 2016 and by Budget Operations Administrator Grace Yoon on July 14, 2016.

TIMING CONSIDERATIONS

City Council action is requested on August 2, 2016, to set the date for the public hearing for September 20, 2016. The new contract year begins on October 1, 2016.

HONORABLE MAYOR AND CITY COUNCIL

August 2, 2016

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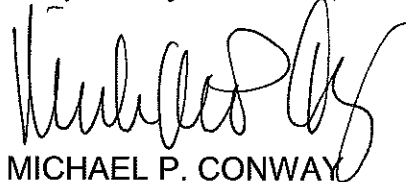
FISCAL IMPACT

It is estimated that the FSPBIA will generate \$17,500 in FY 17 through the proposed continuation of the existing assessment. Assessment funds are collected through additional fees attached to FSPBIA business licenses and passed directly through to the FSIA for implementation of annual programs. Sufficient funds are included in the FY 17 Proposed Budget in the Parking and Business Area Improvement Fund (SR 132) in the Economic and Property Development Department (EP). There is no local job impact associated with the recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC
AND PROPERTY DEVELOPMENT

MPC:jsf

Fourth St PBIA ROI FY 16 08.02.16 v2

Attachments: Resolution

APPROVED:


PATRICK H. WEST
CITY MANAGER

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING AN ANNUAL
5 ASSESSMENT REPORT FOR OCTOBER 1, 2016 TO
6 SEPTEMBER 30, 2017 FOR THE FOURTH STREET
7 PARKING AND BUSINESS IMPROVEMENT AREA AND
8 DECLARING ITS INTENTION TO LEVY THE ANNUAL
9 ASSESSMENT FOR THAT FISCAL YEAR

10
11 WHEREAS, pursuant to Section 36533 of the California Streets and
12 Highways Code, the Fourth Street Parking and Business Improvement Area Advisory
13 Board has caused a Report to be prepared for October 1, 2016 to September 30, 2017
14 relating to the Fourth Street Parking and Business Improvement Area ("FSPBIA") which
15 is located generally in that section of the City of Long Beach bounded by Cherry Avenue
16 and Carroll Park North with frontage along Fourth Street and as more specifically
17 described in the Report; and

18 WHEREAS, said Report contains, among other things, with respect to
19 October 1, 2016 to September 30, 2017 all matters required to be included by the above
20 cited Section 36533; and

21 WHEREAS, having approved such Report, the City Council hereby
22 declares its intention to:

23 A. Confirm levy of and direct collecting within the Area, assessments for
24 the FSPBIA for October 1, 2016 to September 30, 2017. Said assessments are
25 proposed to be levied on such classifications and at such rates as are set forth in Exhibit
26 "A" attached hereto and incorporated herein. These assessments are not proposed to be
27 levied on owners of commercial or residential property;

28 B. Provide that each business shall pay the assessment annually, at the

1 same time the business license is due. This is the same collection procedure which
2 occurred in the previous fiscal year; and

3 WHEREAS, to this end, the proposed activities and improvements
4 undertaken by the Area include those generally specified in the establishing Ordinance
5 No. ORD-07-0043, Section 5, as adopted by the City Council on September 18, 2007;
6 and

7 WHEREAS, a copy of the Report is on file with the City Clerk and includes
8 a full description of the activities and improvements to be provided from October 1, 2016
9 to September 30, 2017, the boundaries of the area, and the proposed assessments to be
10 levied on the businesses that fiscal year and all other information required by law; and

11 WHEREAS, it is the desire of this City Council to fix a time and place for a
12 public hearing to be held in the City Council Chamber of the City of Long Beach on
13 September 20, 2016 at 5:00 p.m., regarding the Report, the levy and the proposed
14 program for October 1, 2016 to September 30, 2017;

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

17 Section 1. That certain Report entitled "Fourth Street Parking and
18 Business Improvement Area Fiscal Year 2016/17 Assessment Report and Service Plan"
19 for the period October 1, 2016 to September 30, 2017, as filed with the City Clerk is
20 hereby approved.

21 Section 2. On September 20, 2016 at 5:00 p.m., in City Council
22 Chamber, City Hall, 333 West Ocean Boulevard, Long Beach, California 90802, the City
23 Council of the City of Long Beach will conduct a public hearing on the levy of proposed
24 assessments for October 1, 2016 to September 30, 2017 for the FSPBIA. All concerned
25 persons are invited to attend and be heard, and oral or written protests may be made, in
26 accordance with the following procedures:

27 A. At the public hearing, the City Council shall hear and consider
28 all protests. A protest may be made orally or in writing by any interested

1 person. Any protest pertaining to the regularity or sufficiency of the
2 proceedings shall be in writing and shall clearly set forth the irregularity or
3 defect to which the objection is made.

4 B. Every written protest shall be filed with the City Clerk at or
5 before the time fixed for the public hearing. The City Council may waive
6 any irregularity in the form or content of any written protest and at the public
7 hearing may correct minor defects in the proceedings. A written protest
8 may be withdrawn in writing at any time before the conclusion of the public
9 hearing.

10 C. Each written protest shall contain a description of the
11 business in which the person subscribing the protest is interested sufficient
12 to identify the business and, if a person subscribing is not shown on the
13 official records of the City as the owner of the business, the protest shall
14 contain or be accompanied by written evidence that the person subscribing
15 is the owner of the business. A written protest which does not comply with
16 this section shall not be counted in determining a majority protest.

17 D. Testimony is also invited relating to any perceived
18 irregularities in or protests to previous years' proceedings/assessments.

19 Section 3. The City Clerk shall give notice of the public hearing called for
20 in Section 2 by causing this Resolution of Intention to be published once in a newspaper
21 of general circulation in the City not less than seven days before the public hearing.

22 Section 4. This resolution shall take effect immediately upon its adoption
23 by the City Council, and the City Clerk shall certify to the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2016, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Lona Beach, CA 90802-4664

EXHIBIT “A”



**Fourth Street Parking and Business
Improvement Area**

**Fiscal Year 2016/17 Assessment
Report and Service Plan**

For the period
October 1, 2016 to September 30, 2017

July 2016



**Fourth Street Parking and Business Improvement Area
2016/17 Assessment Report and Service Plan**

City of Long Beach, California

Contents

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I. DISTRICT OVERVIEW

Conceived by a coalition of Fourth Street business owners, the Fourth Street Parking and Business Improvement Area (the "FSPBIA" or the "District") 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 the District 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 Improvement Association (the "FSIA") manages the District under contract with the City of Long Beach.

A. Location: Fourth Street between Cherry Avenue and Temple Avenue East. See map in Section II.

B. Services: Marketing, promotions, and cleanliness programs to improve the appearance and attractiveness of the business district.

C. Method of Assessment: Special benefit assessment for marketing and promotion of businesses operating within the District. The estimated 2017 fiscal year revenue from business assessments is \$17,500.

Each business operating within the District will be assessed \$200 per year with the following exceptions:

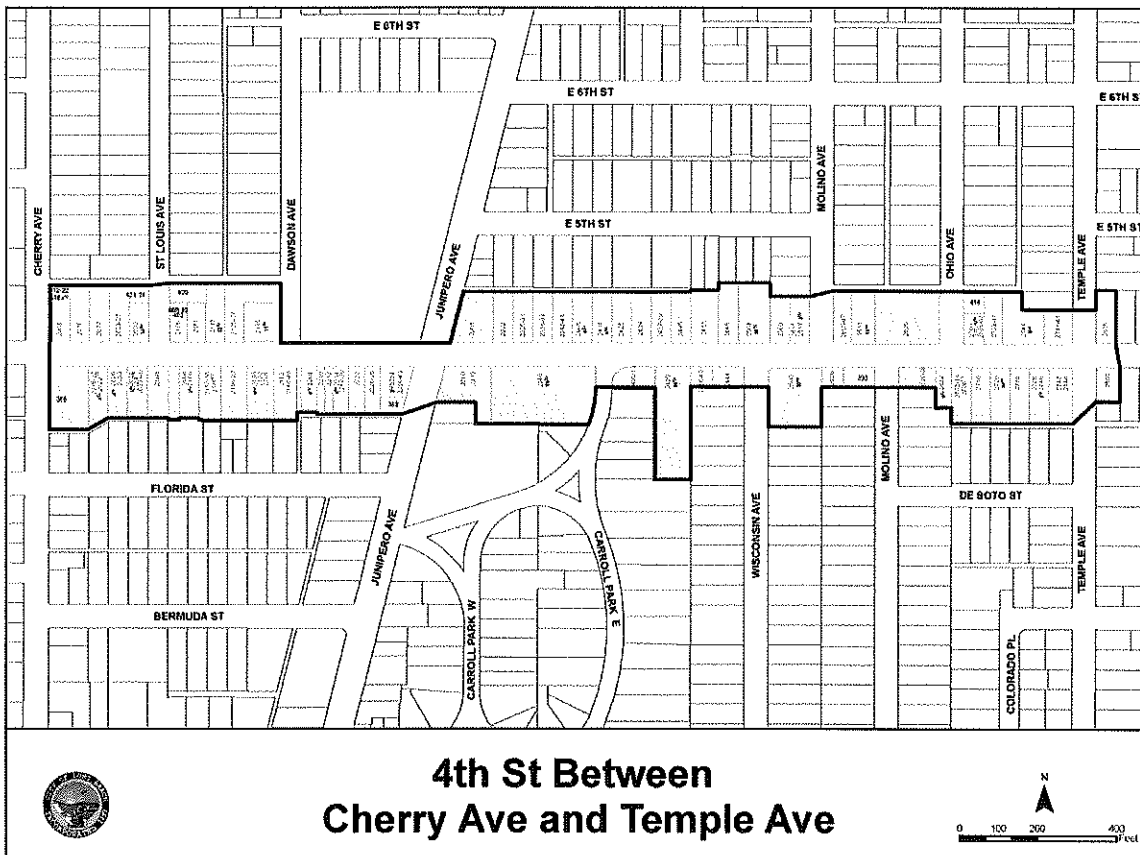
- Each miscellaneous, wholesale, mobile business, contractor, commercial space rental and professional services licensee is assessed \$100 per year
- Each non-profit organization is assessed \$100 per year
- Secondary service operator and residential rental licensees are exempt from the assessment

D. Method of Collection District assessments will be invoiced and due with annual City of Long Beach Business License renewal statements. Assessment revenue received will be segregated into a special fund for transfer to the FSIA.

E. Authority The FSPBIA is a benefit assessment district formed under the authority of the State of California, Streets and Highways Code Part 6 (commencing with Section 36500) of Division 18; the Parking and Business Improvement Area Law of 1989 (the "District Law").

II. Fourth Street Business Improvement Area Boundary

A. District Map – 4th Street: Cherry Avenue to Temple Avenue East.



——— Boundary Line

B. General Description

The Fourth Street Improvement Association (FSIA) provides marketing and promotional services for the Fourth Street area with funds received from Fourth Street Parking and Business Improvement Area (FSPBIA) assessments.

C. Board of Directors

Officers

Co-President.....	Kerstin Kansteiner, Portfolio Coffeehouse
Co-President	Chris Giaco, inretrospect
Vice President.....	Kathleen Schaaf, Meow
Secretary.....	Stephanie Blakeslee, Art du Vin
Treasurer.....	Kathleen Schaaf, Meow

Directors

Kerstin Kansteiner, Portfolio Coffeehouse
 Steven Sarinana, Trebor Nevets
 Kathleen Schaaf, Meow
 Sophia Sandoval, 4th Street Vine
 Chris Giaco, inretrospect
 Luis Navarro, Lola’s Mexican Cuisine
 Stephanie Blakeslee, Art du Vin
 Associate Director-At-Large: Chris Reece, The Pike Bar and Restaurant

Monthly Board Meetings

1st Tuesday of the month at Portfolio Coffeehouse at 2300 E 4th Street, Long Beach, CA 90814

8:30am

Monthly General Meetings

2nd Thursday of the month at The Center at 2017 E 4th Street, Long Beach, CA 90814

8:30am

III. SERVICE PLAN AND BUDGET

A. The Year in Review – 2015/2016 Events

Colloquially nicknamed “Retro Row,” the area along Fourth Street between Cherry and Temple Avenues is known regionally as well as internationally for its eclectic style and storefronts, independent spirit, and retro-inspired mix of shops and services.

After nearly ten years since the inception of the Business Improvement District, the FSIA continues to evolve, expanding its already unique mix of shopping and dining experiences. Since the eastward expansion of the District to Temple Ave in 2015, FISA continues to actively solicit the participation of new affiliate member businesses, while actively encouraging the participation of existing members through monthly meetings, regular and transparent communications, and improved access to BID resources through a new and improved website. This revamped website was designed in conjunction with a dynamic new 4th Street logo and an overall re-branding effort, centered around an “I am 4...” marketing campaign.

Programs conducted during the 2015-2016 period included:

- **Two Annual Street-Wide Events (traditionally, one spring and one fall event)**
 - **Four on Fourth** held on September 26, 2015 was a ticketed four-hour “stroll and sip” event featuring craft beer and wine samples available at over 20 participating businesses along the Retro Row corridor
 - **RetroVia** held on March 19th, 2016 in conjunction with **Beach Streets**. Capitalizing on the street closure necessitated for the City’s second Beach Streets event, the FSIA organized a series related programming to promote the event theme of pedestrian and non-vehicular access to neighborhood streets. This included a Kids Activity and Music Stage in the 4th and Cherry parking lot, a general Music Stage near the intersection of 4th and Junipero, and nearly 20 vendor and information booths along the street.
- **One Holiday Open House Event (December 2015)**
 - The District’s annual Holiday Open House promoted a *shop local, shop independent* slogan, and featured multiple Santa photo-ops, as well as a caroling marching band. Street-wide festive décor was also encouraged.

- **Regular Street Clean-Ups (Daily and Quarterly)**
 - The regular sweeping, quarterly street-wide clean-ups, graffiti reporting, and code enforcement efforts are vital to make 4th Street BIA attractive and safe. The Association also spearheaded a creative fundraising campaign in order to procure three sets of state-of-the-art “Big Belly” trash receptacles and compactors, with matching funds provided by the Second District Council Office.

- **Assumption of Lease of 4th and Cherry Parking Lot**
 - Effective January 2016, the FSPBIA became the official lessee of the parking at the corner 4th and Cherry Avenue. The lot lease and related expenses and parking revenues had previously been managed directly by the City of Long Beach.

- **Maintenance of Landscaping in “Garden Walk” and 4th and Cherry Parking Lot (Monthly)**
 - The 4th Street BIA continues to maintain both The Garden Walk (along the Burbank Elementary School at 4th and Junipero), and the general landscaping in and around the 4th and Cherry Parking lot. Regular maintenance of these common areas makes the street look more attractive and cared for, in addition to helping prevent vagrancy, littering, and vandalism.

- **Maintenance and Update of 4th Street/Retro Row Website (Monthly)**
 - Recognizing the ever-increasing customer reliance on mobile devices and online shopping options, the Association has made significant changes to its website design and underlying infrastructure in order to stay relevant and user-friendly.

- **Frequent and Timely Social Media Updates (Daily and Weekly)**
 - A renewed focus on Fourth Street’s Social Media campaign includes increasing the caliber and frequency of posts to our Facebook, Instagram, and Twitter accounts, and encouraging individual stores to contribute interesting and timely content.

- **Business Outreach Committee for 4th Street/Retro Row (Ongoing)**
 - We have established an outreach committee to welcome new businesses and actively recruit businesses to locate to 4th Street. The committee also fosters an active dialogue with landlords and neighborhood stakeholders with a goal of minimizing negative impacts of any commercial vacancies, and helping to ensure that potential tenants are a viable fit for the focus and aesthetics of Retro Row.

- **Business Listing Brochure**
 - A new 4th Street Business Directory brochure was conceived and created, featuring our new logo design, refreshed marketing elements, and updated content.

Planned FY 2016/17 activities and areas of focus will include:

- Two Annual Street-Wide Events:
 1. 2nd Annual “Four on Fourth Event” --October 2016
 2. Spring “Retro Ramble” Sidewalk Sale--March/April 2017
- Annual Holiday Open House Event--December 2016
- Official rollout of “I am 4...” marketing campaign--Summer 2016
- Targeted print advertising, local exposure, and online marketing utilizing our updated logo and marketing collateral, with increased focus on the Holiday season-Fall 2016
- Explore possibilities for creative use of 4th and Cherry Parking Lot consistent with the focus of the street. Such possibilities might include farmer’s markets, bicycle-related events, flea markets, and electric vehicle charging stations.
- Promote, maintain, and expand the Street’s resources and reputation as a bike and pedestrian-friendly district through events such as Beach Streets and Parking Day, encouraging placement and use bike share stations, strategic placement and realignment of bike racks, and researching the possibility of crosswalks, parklets, and other vehicular traffic-slowing measures.
- Renewed focus on encouraging business participation and corridor beautification efforts in the Association, especially at the respective intersections of both Cherry and Temple Avenues, while also exploring the feasibility of expanding the BID westward to include Hermosa Ave. and beyond.
- Renewed outreach and marketing efforts to promote event rentals, filming, parking lot rentals, and other possible revenue-generating opportunities.
- Maintain and expand existing programs for street cleaning and common area maintenance, and the business outreach committee.
- Explore options and feasibility of a 4th Street/Retro Row loyalty card program to encourage both 4th Street employees and surrounding neighbors to shop and support the businesses along the corridor.

B. Service Plan

The FSPBIA Service Plan provides for funding for marketing, promoting and maintaining the cleanliness and attractiveness of the shopping area. Although we are a relatively small BID with a relatively small number of participants, we aggressively and creatively manage a modest budget that enables us to successfully plan and promote events, as well as to maintain the overall cleanliness and “curb appeal” of the Retro Row corridor.

Budgeted services to be provided are:

1. Marketing Media and Materials **Amount: \$7,400.00**

The bulk of these resources will be earmarked for the design and maintenance of a relaunched 4th Street website, and related revised design of our 4th Street brochure. A targeted marketing effort featuring our “I am 4...” campaign will include window clings, posters, and related print advertising.

We have also allocated a budget of approximately \$300 monthly for a dedicated professional to maintain social media outreach and promotion for the Association and its affiliated merchants.

2. Promotional Events **Amount: \$5,000.00**

A slightly increased portion of our 2017 budget will be invested in our annual street-wide 4th Street events, including our Spring and Fall events, and a Holiday event. We will also increase efforts to utilize our events as fundraising opportunities for the Association, with the goal of raising monies for additional beautification projects along the corridor.

3. Streetscape and Cleanliness **Amount: \$2,000.00**

Continued dedicated funding to maintain the cleanliness of our street includes retaining the services of a landscaping company to maintain the parking lot at the corner of 4th and Cherry, as well as the Garden Walk alongside Burbank Elementary School.

4. Administrative Expenses **Amount: \$3,100.00**

Aside from ongoing insurance and accounting service expenses, the Association established a dedicated administrative position to take and post monthly meeting notes, maintain and update email contact lists, and perform basic website maintenance updates at a \$150 monthly rate.

C. Services Budget

Services will be provided based on the following estimated allocation of FSPBIA revenue totaling \$17,500 for FY 2016/17. No Consumer Price Index adjustment is applied to assessment fees for FY 2016/17. Areas of focus include:

- **2 Annual Street-Wide Events/ “Retro Rambles” & One Holiday Event**
- **Regular updates of 4th Street / Retro Row brochure**
- **Regular and consistent social media marketing & messaging**
- **Continued street cleaning and beautification efforts**
- **Maintenance of an active business outreach committee**
- **Maintenance and landscaping of 4th and Cherry Parking Lot**
- **Efforts to aid in development of a bike friendly business corridor**
- **Development of more frequent and evening street-wide programming**
- **Increased participation in 2016 Small Business Saturday campaign**
- **Develop creative and viable uses for 4th and Cherry parking lot, including rental opportunities, or event programming**

Annual Programming Budget

Marketing

Social Media Programming	\$4,200.00
Website Maintenance	\$1,000.00
Marketing Collateral (Ongoing)	\$1,000.00
Advertising	\$1,200.00

Sub Total	\$7,400.00
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Street-Wide Promotional Events

Spring Retro Ramble Event	\$2,250.00
Fall Four-On-Fourth Event	\$2,250.00
Holiday Open House	\$ 500.00

Sub Total	\$5,000.00
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Streetscape and Maintenance

Annual Parking Lot Maintenance	\$1,800.00
Annual Garden Walk Maintenance	\$ 200.00

Sub Total	\$2,000.00
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TOTAL PROGRAMMING	\$ 14,400.00
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Administrative Expenses

Website & Admin Duties	\$1,800.00
Accounting Services	\$ 700.00
Annual Insurance Premiums	\$ 500.00
Contingency	\$ 100.00

Sub Total **\$3,100.00**

GRAND TOTAL FY 2017 BUDGET **\$ 17,500.00**

IV. ASSESSMENTS

A. Methodology

Improvements and activities identified in the Service Plan are designed to improve the appearance of pedestrian areas and safety, thereby making the area more attractive to customers. All businesses in the District will benefit from these improvements, although retail, financial, professional and service businesses are expected to benefit more than miscellaneous, wholesale, manufacturing or other businesses that do not rely upon foot traffic; therefore, these latter businesses pay a reduced assessment. The proposed assessment rate for each business operating within the District is shown in the following table.

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

Estimated FY 2016/2017 assessment revenue is \$17,500.00.

B. CPI Adjustments

The assessment may be increased each year to reflect the annual change in the Consumer Price Index for All Urban Consumers in Los Angeles-Riverside-Orange Counties. The annual increase shall not exceed three percent (3%) of the previous year's assessment. The annual Consumer Price Index variance will be calculated in March and applied in July of each year. The District will have a fiscal year of October 1 through September 30.

C. Time and Manner for Collecting Assessments

Business operator assessments will be invoiced and due with annual City of Long Beach Business License renewal statements. Assessment revenue received will be segregated into a special fund for transfer to the FSIA.

V. DISTRICT GOVERNANCE

A. The Fourth Street Business Improvement Association

1. The Fourth Street Improvement Association shall manage the FSPBIA and shall exercise the powers of the Advisory Board set forth in the District Law including the following.

(a) The Advisory Board shall cause to be prepared a report for each fiscal year (October 1 through September 30) for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The report may propose changes, including, but not limited to, the boundaries of the parking and business improvement area or any benefit zones within the area, the basis and method of levying the assessments, and any changes in the classification of businesses, if a classification is used

(b) The report shall be filed with the clerk and shall refer to the parking and business improvement area by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following:

- (1) Any proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area.
- (2) The improvements and activities to be provided for that fiscal year.
- (3) An estimate of the cost of providing the improvements and the activities for that fiscal year.
- (4) The method and basis of levying the assessment in sufficient detail to allow each business owner to

estimate the amount of the assessment to be levied against his or her business for that fiscal year.

- (5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- (6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The City Council may approve the report as filed by the Advisory Board or may modify any particular contained in the report and approve it as modified. The City Council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments.

- 2. The Fourth Street Business Improvement Association board will serve and the FSPBIA Advisory Board and shall be appointed by the City Council as required by District Law.
- 3. The FSPBIA Advisory Board shall comply with the Brown Act when discussing or acting on matters within the subject matter of the district (e.g. annual report assessment methodology, boundaries, budget and Service Plan).

B. Disestablishment

According to State law, any district where there is no outstanding indebtedness may be disestablished by resolution of the City Council. This may occur if the City Council finds that funds have been improperly used or if the assessee requests disestablishment. There will be a thirty-day window every year beginning on the one-year anniversary of the establishment of the District-in which business owners may petition to disestablish the District. If the assessee who pay 50% or more of the total assessments levied submit a written petition to disestablish the District, the City Council will do so.