

H-12

November 19, 2019

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 Bixby Knolls Parking and Business Improvement Area assessment levy for the period of October 1, 2019 through September 30, 2020; and, authorize the City Manager, or designee, to extend the agreement with the Bixby Knolls Business Improvement Association for a one-year term. (Districts 7, 8)

DISCUSSION

The Bixby Knolls Parking and Business Improvement Area (BKPBIA) was established by the City Council in 1989, allowing for the levy of an annual business license assessment to be paid by businesses located in the BKPBIA. The City of Long Beach (City) contracts with the Bixby Knolls Business Improvement Association (BKBIA) to manage the BKPBIA, and the BKBIA Board of Directors serve as the Advisory Board to the City Council on matters related to the BKPBIA. The BKBIA promotes and markets the BKPBIA using funds generated through the BKPBIA 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 29, 2019, the BKPBIA Advisory Board voted to recommend to the City Council approval of the 2019-2020 BKPBIA Annual Report (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 Annual Report proposes no change to the BKPBIA 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. At its October 15, 2019 meeting, the City Council approved Resolution No. RES-19-0158 granting approval of the Annual Report, declaring the intention of the City Council to levy the assessment, and set November 19, 2019 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 will 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 shall 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

The original annual base assessment for businesses is \$264.20, plus 3.81 percent for the July 2019 Consumer Price Index (CPI) adjustment. Nonprofits are assessed a base fee of \$158.52, plus the CPI adjustment. An additional \$20 is added annually to each assessment fee to make up the difference between the sunsetting Redevelopment Agency funds and assessment fees. There are no proposed changes to the method and basis of levying the assessment. The table below calculates the total rate using this Method of Assessment inclusive of the base fee, the CPI adjustment that was implemented in July 2019, and the additional \$20 added annually to the assessment.

Method of Assessment with Consumer Price Index Adjustment

BUSINESS BASE RATE	TOTAL RATE
$\$264.20 + \$10.05 (3.81\%) + \$20$	\$294.25

NONPROFIT BASE RATE	TOTAL RATE
$\$158.52 + \$6.03 (3.81\%) + \$20$	\$184.55

Each year the City calculates the CPI and applies the CPI to various City fees on July 1 of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The BKPBIA Advisory Board has decided not to request a July 2020 CPI adjustment.

This matter was reviewed by Principal Deputy City Attorney Gary J. Anderson and by Budget Management Officer Rhutu Amin Gharib on October 29, 2019.

TIMING CONSIDERATIONS

City Council action is requested on November 19, 2019, so that FY 20 assessment transfers may be made as required by the Agreement for Funding with the BKBIA.

FISCAL IMPACT

It is estimated that the BKPBA will generate \$255,000 in FY 20 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the BKBIA through additional fees and passed on directly through to the BKBIA 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.

APPROVED:

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT



THOMAS B. MODICA
ACTING CITY MANAGER

ATTACHMENT: RESOLUTION

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH CONFIRMING, FOLLOWING HEARING, AN ANNUAL REPORT OF THE BIXBY KNOLLS 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 Bixby Knolls Business Improvement Association has caused a Report to be prepared for October 1, 2019 through September 30, 2020 relating to the Bixby Knolls Parking and Business Improvement Area ("PBIA"); and

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

WHEREAS, on November 19, 2019 at 5:00 p.m., the City Council conducted a public hearing relating to that Report in accordance with Resolution No. RES-19-0158, adopted September October 15, 2019, 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 November 19, 2019 at 5:00 p.m., and all persons having been afforded an opportunity to appear and be

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

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heard, the City Council hereby confirms the Report of the Bixby Knolls Business Improvement Association, previously filed and approved by Resolution No. RES-19-0158, adopted October 15, 2019, as originally filed, and declares that this resolution shall constitute the levy of the Assessment referred to in the Report for October 1, 2019 through September 30, 2020, as more specifically set forth in Exhibit "A".

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

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2019, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

EXHIBIT "A"



2019-2020 Annual Report Bixby Knolls Parking and Business Improvement Area

SUBMITTED BY BIXBY KNOLLS BUSINESS IMPROVEMENT
ASSOCIATION

SEPTEMBER 19, 2019

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DISTRICT OVERVIEW

District Background

In 1989, the City Council of the City of Long Beach established the Bixby Knolls Parking and Business Improvement Area, providing for the levy an annual business license assessment to be paid by businesses in the Bixby Knolls commercial corridor. The organization overseeing the management of the Bixby Knolls Parking and Business Improvement Area is the Bixby Knolls Business Improvement Association, a nonprofit organization incorporated on September 20, 1993 under State law.

The purpose of the Bixby Knolls Business Improvement Association is to promote the interests of its professional, service, and retail members, to enhance the common areas within the BIA area, to facilitate the exchange of business information and ideas, and to promote the highest business and ethical standards. This statement reflects the focus for the Board's activities and its continuing commitment to the growth and enhancement of our business community. There have not been any changes to the district boundaries nor are there currently any plans for expansion.

Bixby Knolls Parking and Business Improvement Area Boundary Map



Proposed Changes

The Bixby Knolls Business Improvement Association Board of Directors proposes no changes to the district boundary for 2019-2020.

District Advisory Board

The Board of Directors of the Bixby Knolls BIA represents a cross-section of the diverse business community throughout the business district. Appointed in accordance with our Bylaws, each position represents a sector of the area as defined by the formation ordinance. As a nonprofit organization governed by a volunteer board of directors, the BIA's effectiveness is primarily determined by the dedication and commitment of the volunteers that serve on the Board of Directors and its committees.

Servando Orozco, President,	At-Large
Mike Mora, Vice President,	Long Beach Blvd.
Anthony Wingfield, Treasurer,	Wardlow Road
Norm Cauntay, Secretary,	Atlantic Avenue
Anthony Puente, Digital Revolution,	Atlantic Avenue
Kris Allen, First Bank,	At-Large
Aaron Hovis, goFetch,	Wardlow Road
Bill Larson, First Team,	Long Beach Blvd.
Jeff Beasley, Bundts on Melrose,	Long Beach Blvd.
Brian Savala, Nova Home Loans	Long Beach Blvd.
Cheryl Jacobs – Community Liaison	
Roy Robbins – Community Liaison	
Andrea Testa – Community Liaison	

District Personnel

Blair Cohn, Executive Director

Lead the implementation and enhancement of the BIA's goals and strategic action plan; Act as liaison and advocate with municipal government, local media, and organizations on behalf of the BIA; Event Management: organize and manage all monthly events and programs; Recruit, train, and manage qualified staff; Oversee the publishing of newsletters, annual business directory, and BIA website; Manage the BIA's financial activities including payables, receivables, payroll, financial statements, and required municipal reporting; Administer the Board and Committee meetings including agendas, meeting minutes, and correspondence.

Katie Phillips, Project Manager

Manage all special projects including design of website, event materials, social media; business directory; Manage administrative duties within the BKBIA office; manage the Expo Arts Center booking and coordinate event calendar; Member outreach; directory updates;

Ronnie De Leon – Clean Team Lead

Patrol the entire district each week for litter and graffiti abatement; Assist in managing activities in the Expo Arts Center and the planning of First Fridays; on-site event management.

METHOD OF ASSESSMENT

The annual base assessment for businesses is \$250. An additional \$20 is added annually to the assessment fee to make up the gap between the sunsetting Redevelopment Agency funds and assessment fees. Nonprofits are assessed a base fee of \$150. There are no proposed changes to the method and basis of levying the assessment from last year outside of the allowed Consumer Price Index adjustment.

Method of Assessment with Consumer Price Index Adjustment (%)

BUSINESS BASE RATE	TOTAL RATE	NONPROFIT BASE RATE	TOTAL RATE
$\$264.20 + 3.81\% + \20	\$294.25	$\$158.52 + 3.81\% + \20	\$184.55

Method of Assessment with Consumer Price Index Adjustment (\$)

BUSINESS BASE RATE	TOTAL RATE	NONPROFIT BASE RATE	TOTAL RATE
$\$264.20 + \$10.05 + \$20$	\$294.25	$\$158.52 + \$6.03 + \$20$	\$184.55

Consumer Price Index Adjustments

The Bixby Knolls Business Improvement Association Board of Directors is not requesting a Consumer Price Index Adjustment for the 2019-2020 contract year.

BUDGET

Projected Budget

REVENUE

Assessment Income	255,000
Contributions	12,000
Corporate Sponsorship	10,000
Grant Awards	1,500
Rental Income	44,000
RDA Funds	176,500
Cost Reimbursements	2,500

GROSS REVENUE

501,500

EXPENDITURES

Administration

General Admin Exp	8,000
Fees & Finance Charges	400
Insurance	4,600
Licenses and Permits	4,400
Office Equipment & Supplies	15,800
RDA Outside Services	2,600
Clean and Safe	26,500
RDA Clean & Safe	52,500
Utilities	20,000
EXPO Bldg Supplies	2,800
RDA EXPO Bldg R&M	800
EXPO Repairs and Maintenance	2,600

Total Administration

141,000

On-Going Promotions

Advertising & Marketing	18,800
RDA Advertising & Marketing	17,000
Banner Installation/Maintenance	1,600
Median Maint Utilities	2,400
Median Maintenance	3,600
RDA Member Outreach	8,400

Total On-Going Promotions

51,800

Promotional Event Expenses	
Annual Holiday Party	5,500
Annual Meeting	1,700
New Promotions	250
Promotional Event Expenses - Other	1,100

Total Promotional Event Expenses	8,550
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Payroll Expenses

Wages (a)	95,000
Wages (b)	58,000
Payroll Preparation	2,800
Payroll Tax - Employer Contrib	13,600
Workers Comp Insurance	1,800

Total Salaries/Benefits	171,200
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Special Programs

Business Breakfast	5,000
Concerts	200
First Fridays	10,000
RDA First Fridays/2nd Saturdays	41,000
Good Spirits Club	400
Kidical Mass	600
Literary Society	1,500
Misc Special Events	3,500
Strollers	1,000
Supper Club	300
RDA Façade/Streetscape Improvements	27,000
RDA Trees & Landscaping	6,700
RDA Special Programs & Events	31,000
Special Programs - Other	300

Total Special Programs	128,500
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TOTAL EXPENDITURES	501,050
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NET REVENUE	450
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Surplus or Deficit Carryover

No surplus or deficit Parking and Business Improvement Area assessment revenues are planned to be carried over from the previous fiscal year.

Contributions from Other Sources

Contributions:	\$12,000
Corporate Sponsorship:	\$10,000
Grant Awards:	\$1,500
Rental Income:	\$44,000
RDA Funds:	\$176,500
Cost Reimbursements	\$2,500
TOTAL:	\$246,500

BIXBY KNOLLS BUSINESS IMPROVEMENT ASSOCIATION PROGRAM

2019 – 2020 Program

The focus of 2019-2020 remains to again stay the course as we have: meet our mission, engage the local community, and recruit and retain business membership. The BKBIA is currently at an all-time high in its business membership.

We always want to best manage all that we do and always fine tune it. We were pleased to collaborate with Public Works last year on the Long Beach Boulevard "Clean Up Pilot Program" as well as working with local artists to have the utility boxes along the metro line painted.

Consistent outreach to our membership is critical to provide pertinent information and resources for their businesses. We will continue the quarterly members-only breakfast meetings which has been the best vehicle for direct interaction with our members in a whole group. We will also maintain the drive and energy of the current monthly events, streetscape improvements per the Bixby Knolls Work Plan, focus on security and safety of the district, engage both business- and property-owners and further our efforts to fill vacant store fronts and office spaces.

The BKBIA continues to rely heavily on its social media network to broaden its promotional and informational outreach. Facebook and Instagram and connections have resulted in the growth and awareness of district improvements and events. Each monthly program or event continues to grow and remain strong. Kidical Mass, the parking lot concerts, and the growth of First Fridays, the popularity of our Knights of the Round (Turn) Table and "Bixby Saturday Nights" can be attributed to Facebook, Instagram, and Twitter as word of mouth spreads and people are posting their comments about the events. In addition, we continue to mail letters and frequently email our membership all district updates. Social media also allows us to inform the community at large about what the BKBIA is doing daily/weekly.

Ongoing Monthly Events and Programs

The BKBIA continues to stress the importance and priority of **connecting the residential customer base to the business corridors**. To bring the community and businesses together we continue to manage our low-cost monthly events and programs, many of which have celebrated longevity and milestones in the district. These are the *Strollers (11 years)*, *Literary Society (11 years)*, *First Fridays (12 years)*, *Good Spirits Club*, *Supper Club*, *Concerts in the Park(ing Lot)*, *Flash Events*, and *Kidical Mass (7 years)*, that activate the local business community. By stitching all programs together, we are able to reach the full spectrum of local residents and their interests and spread our message about the importance of supporting the local business district. Our "*Knights of the Round (Turn)Table*" immediately became the most popular next to First Fridays and we have been thrilled at the immediate positive response to our "Bixby Saturday Nights" featuring jazz performances in the Expo Arts Center.

The Board of Directors made the decision in April 2018 to "reset" First Fridays which had grown away from the original mission to support our membership. By backing off the programming by the BKBIA during the summer of 2018, creating the Summer Saturdays event (that specifically activated business spaces), and then picking up First Fridays again in September, the BKBIA has been able to return the event to a business-focused/community-driven event with all positive results. The endgame for this is to host a great monthly showcase for the businesses with a big increase in sales from the night.

The "**Walktoberfest**" event in October gave the BKBIA the opportunity to launch the "Brewery Knolls" campaign and connect all of our breweries and craft beer locations via trolley. We have continued the monthly "Beer Trolley" tour on the third Sunday of the month. This is not only a fun daytime event showcasing our beer economy, but it provides a scenic tour of the neighborhood for those who may never had been to Bixby Knolls before.

We promote the participation in the national **Small Business Saturday** in November that follows Black Friday, but we have created our own second Small Business Saturday in May as another reminder to the local community to make the commitment of supporting their local businesses. This is another valuable day for our retailers who face the larger current challenges of retail. The membership finds these two events extremely important dates on their calendars.

Member Outreach

Consistent communication with our membership is a priority, utilizing letters mailed to all locations in addition to our social media accounts. We have a "Members Only" page on Facebook and we call, text, direct message, and drop-in for visit our members. We found that simply sending our letters (including meeting invites and other resources) in our blue envelopes gets the greatest responses. We host our quarterly members-only "Bixby Business Breakfasts" at our new location, Masonic Lodge at 3610 Locust Avenue and provide excellent resources and guest speakers. The BKBIA serves as mentoring, coaching, and cheerleading services while also providing important business resources, and being accessible and responsive by phone or in our office, even after business hours.

Business Retention/Business Recruitment

While the importance of meeting our mission is critical, this also include our efforts for business recruitment and retention. Often times this can be the most challenging area for us given the limited staff, resources, and time. Our best efforts come as a direct result of all the energy we put into the events, marketing, and social media. Creating a buzz about the neighborhood, supporting

our membership in a variety of ways, has, over time, produced greater investment into the district. We reach out to multiple brokers, landlords, business owners about the wants and needs of the community via informal surveys that provide feedback "from the horse's mouth." We follow up on all leads and inquiries about office, retail, or restaurant space.

Our business retention efforts can come in the forms as very specific lists of recommendations for a particular business to pursue to continue to grow its customer base as well as directing members to resources like the Small Business Development Center or the city's Kiva loan program.

Marketing and Branding

We continue to work with Commune Communication on our event branding and marketing, so our reach is farther than just our neighborhood while also maintaining the appeal and draw for each. We are about to launch our new "Bixby Knolls is More Like It" campaign which is not only a district-wide branding tool but will also drill down to promote specific business segments within the district. We will be able to provide even more value to our service businesses with this new campaign.

Redevelopment projects/Bixby Knolls Work Plan:

We are utilizing our redevelopment funds and continuing our "Bixby Knolls Work Plan Projects" developed by the Hyett Palma consultants. The Redevelopment Agency funds are the critical component to the physical improvements of the district. We are proactive with our streetscape enhancements (power washing, weed/litter abatement), façade improvements (painting buildings, new signage, new patios), installation of lighting around the district, logo decals on all street corners, street pole banners, tree trimming and maintenance, and the incorporation of the arts into everything we do.

The ongoing top priority is district-wide safety. CSI Patrol Service works closely with us for events, day and nighttime patrols and responds quickly to a business owner's need when a situation arises. We meet monthly with LBPD and CSI Patrol Service to discuss any criminal incidents in the neighborhood as well as how and where to best shift our resources to make the most impact for district-wide safety.

Just on the horizon: Progressive Urban Management Associates consultants have been hired to help develop a Bixby Knolls Strategic Plan to address the sunset of the Redevelopment Agency funds. The consultants will arrive September 10, 11, and 12, 2019 to host roundtable discussions with the BK BIA board, business members, and other stakeholders to develop recommendations about our programming, priorities for the organization, and seeking new revenue sources/options to supplement the loss of the funds. The potential for parking meters along Atlantic Avenue, implementation of a Property and Business Improvement District, and the further programming of the Expo Arts Center are all on the table for discussion. Results from P.U.M.A. will be sent to the Economic Development Department and then shared with the BK BIA's board of directors for consideration.

Goals

Our goals for 2019-20 are as follows:

- Stay the course. Continue to implement the recommendations of the Bixby Knolls Work Plan as articulated by the HyettPalma Study, to continue to improve the aesthetics of the BKBIA common areas with painting and lighting programs, façade improvements, tree-planting and landscape programs, street banners, art window displays, public gathering places, and street clean-up programs.
- Work with P.U.M.A. consultants to develop a new Strategic Plan to pursue funding sources to replace RDA funds.
- Launch our new 501c3 Bixby Knolls Community Foundation for the solicitation of grant funds and donations to further supplement our revenue as well as continue the progress of our Work Plan projects.
- Focus on safety for the business district and surrounding areas via continued private security patrols and continued partnership with the Long Beach Police Department North Division.
- Continue to engage the broker community as well as the property owners to help recruit tenants that best serve the Bixby Knolls area.
- Continue to connect the local communities (customer base) to the retail and businesses corridors through newsletters and other communications and effective events.
- Ensure that the surrounding communities know about Bixby Knolls' businesses, events and the BKBIA through effective use of existing media from print, social media, networking, and various e-newsletters and publications.
- Increase the reach and scope of the Bixby Knolls area not only to consumers, but to retailers and commercial brokers via events, advertising, press releases, and community outreach partnerships.
- Create membership involvement and ensure effective communication with the membership, other community organizations and city entities.
- Through cooperative efforts with the City of Long Beach and BKBIA members, work to retain and strengthen existing businesses and attract new businesses to Bixby Knolls.
- Continue the ongoing analysis to figure out "what's the next big thing" for Bixby Knolls.
- Improve the Expo Arts Center for more use and increase its programming as a revenue source.