

H-11

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 Fourth Street 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 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 serve as the Advisory Board to the City Council on matters related to the FSPBIA. The FSBIA 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 Advisory Board designated for this Assessment District. On September 26, 2019, the FSPBIA Advisory Board voted to recommend to the City Council approval of the 2019-2020 FSPBIA Annual Report (Annual Report) (Exhibit A to the Resolution).

The Annual Report describes boundaries, proposed activities, budgetary information, and provides a method and basis for 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. At its October 22, 2019 meeting, the City Council approved Resolution No. RES-19-0162 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 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

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
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 1 of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The FSPBIA Advisory Board has decided not to request a CPI adjustment for July 2020.

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 FSBI.

FISCAL IMPACT

It is estimated that the FSPBIA will generate \$14,195 in FY 20 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the FSBIA through additional fees and passed directly to the FSBIA 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

ATTACHMENT: RESOLUTION

APPROVED:



THOMAS B. MODICA
ACTING CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING AN ANNUAL ASSESSMENT REPORT FOR OCTOBER 1, 2019 TO SEPTEMBER 30, 2020 FOR THE FOURTH STREET PARKING AND BUSINESS IMPROVEMENT AREA AND DECLARING ITS INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THAT FISCAL YEAR

WHEREAS, pursuant to Section 36533 of the California Streets and Highways Code, the Fourth Street Business Improvement Association Board of Directors has caused a Report to be prepared for October 1, 2019 to September 30, 2020 relating to the Fourth Street Parking and Business Improvement Area ("FSPBIA") which is located generally in that section of the City of Long Beach bounded by Cherry Avenue and Carroll Park North with frontage along Fourth Street and as more specifically described in the Report; and

WHEREAS, said Report contains, among other things, with respect to October 1, 2019 to September 30, 2020 all matters required to be included by the above cited Section 36533; and

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

A. Confirm levy of and direct collecting within the Area, assessments for the FSPBIA for October 1, 2019 to September 30, 2020. Said assessments are proposed to be levied on such classifications and at such rates as are set forth in Exhibit "A" attached hereto and incorporated herein. These assessments are not proposed to be levied on owners of commercial or residential property;

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, 2019
9 to September 30, 2020, 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 Civic Chamber of the City of Long Beach on November
13 19, 2019 at 5:00 p.m., regarding the Report, the levy and the proposed program for
14 October 1, 2019 to September 30, 2020;

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

17 Section 1. That certain Report entitled "2019-2020 Annual Report Fourth
18 Street Parking and Business Improvement Area" attached hereto as Exhibit "A" and
19 incorporated herein, for the period October 1, 2019 to September 30, 2020, as filed with
20 the City Clerk is hereby approved.

21 Section 2. On November 19, 2019 at 5:00 p.m., in the Civic Chamber,
22 City Hall, 411 West Ocean Boulevard, Long Beach, California 90802, the City Council of
23 the City of Long Beach will conduct a public hearing on the levy of proposed
24 assessments for October 1, 2019 to September 30, 2020 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 _____, 2019, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

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

EXHIBIT "A"



2019-2020 Annual Report Fourth Street Parking and Business Improvement Area

SUBMITTED BY FOURTH STREET BUSINESS IMPROVEMENT
ASSOCIATION
SEPTEMBER 26, 2019

Table of Contents

DISTRICT OVERVIEW	2
District Background	2
Fourth Street Parking and Business Improvement Area Boundary	3
Proposed Changes.....	3
District Advisory Board	4
District Personnel	4
METHOD OF ASSESSMENT	4
Proposed Changes.....	5
Consumer Price Index Adjustment	5
BUDGET.....	5
Projected Budget.....	5
Surplus or Deficit Carryover.....	6
Contributions from Other Sources	6
FOURTH STREET BUSINESS IMPROVEMENT ASSOCIATION PROGRAM.....	6
2019 – 2020 Program.....	6
Marketing.....	6
Events.....	6
Maintenance & Beautification.....	6
Management.....	7

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, 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.

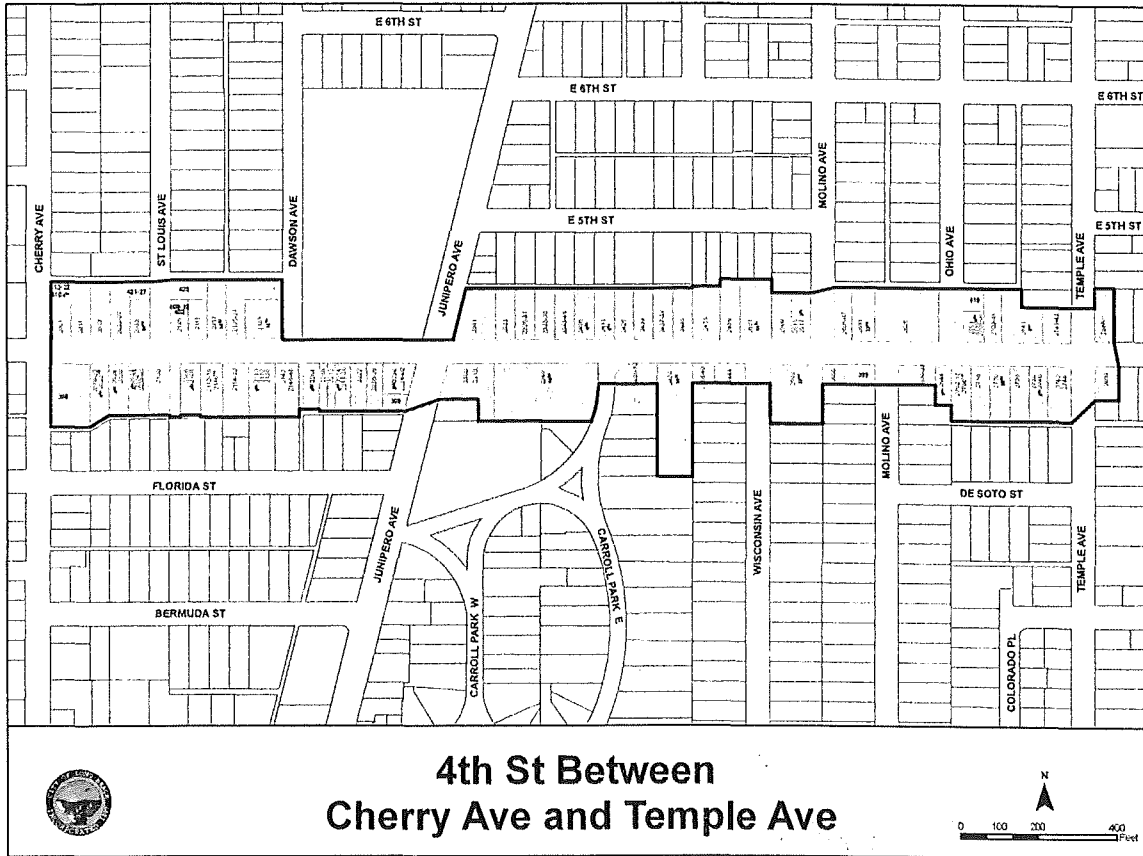
The purpose of FSPBIA is to actively promote and market the Fourth Street shopping district as a destination through events, neighborhood clean-ups, community outreach, and advertising. The Fourth Street Business Improvement Association (FSPBIA) manages FSPBIA under contract with the City of Long Beach.

Twelve 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, bi-monthly events meetings, regular and transparent communications, and improved access to BID resources. Building on the recent successes of hiring our first BID Administrator, City Council approved parking meters and continuous community outreach events, 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 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 development and lease of the parking lot on the Southeast corner of the intersection of 4th St and Cherry we have established a dependable recurring source of income which is used to meet our marketing and event goals. We recently contracted a company to monitor the parking lot and are anticipating an increase in revenue.

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 2019-2020.

District Advisory Board

Officers

President	Jennifer Hill, Songbird
Vice President	Porter Gilberg, The Center
Secretary	Gary Oda, Past & Present
Treasurer	Kathleen Shaaf, Meow

Directors

Dan Rossiter, Old Gold
Kerstin Kansteiner, Portfolio Coffeehouse
Melissa Carpenter, The Hangout
Sophia Sandoval, 4th Street Vine
Ty Ward, Native Sol

Monthly Board Meetings

First Tuesday of the month at The Center, 2017 E. 4th Street, Long Beach, CA 90814 at 9:30am.

Monthly General Meetings

Second Tuesday of the month at The Center, 2017 E. 4th Street, Long Beach, CA 90814 at 9:30 am.

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 2019-2020 contract year.

BUDGET

Projected Budget

INCOME

Annual Assessment Revenue	\$14,195.00
Associate Member Dues	\$960.00
4 th and Cherry Parking Lot	\$92,800.00
4 th Street Parking Meters	\$11,505.00
TOTAL INCOME	\$119,460.00

EXPENSES

Marketing

Social Media Management	\$24,000
<i>Sub Total</i>	<i>\$24,000</i>

Events

4 th Fridays Trolley	\$6,600.00
4 th Fridays Musicians	\$4,800.00
4 th Fridays Print Media	\$3,000.00
Graphics	\$4,800.00
Art/Vendor Coordinator	\$6,000.00
Music Coordinator	\$2,400.00
Parking Rental	\$892.00
Parking Attendant	\$648.00
Event Security	\$2,400.00
Entertainment	\$3,000.00
Misc. Supplies / Collateral	\$3,000.00
Annual Permit	\$500.00
<i>Sub Total</i>	<i>\$38,040.00</i>

Maintenance & Beautification

Maintenance & Upkeep– Gardeners	\$3,360.00
Misc / Maintenance	\$1,800.00
Trash Pickup/ New Trash Cans	\$5,760.00
<i>Sub Total</i>	<i>\$10,920.00</i>

Management Expenses

Rent for Parking Lot	\$24,000.00
Insurance / Tax Prep	\$3,000.00
4th Street BID Administrator Salary	\$14,400.00
Garage Rent	\$2,100.00
Website update	\$3,000.00
<i>Sub Total</i>	<i>\$46,500</i>

TOTAL EXPENSES **\$119,460.00**

The Fourth Street Parking and Business Improvement Area assessment revenue will be spent as follows:

Marketing: \$14,195.00

Surplus or Deficit Carryover

The surplus funds from prior years are from non-assessment revenue.

Contributions from Other Sources

Associate Member Dues	\$960.00
4 th and Cherry Parking Lot	\$92,800.00
4 th Street Parking Meters	\$11,513.00

FOURTH STREET BUSINESS IMPROVEMENT ASSOCIATION PROGRAM

2019 – 2020 Program

Marketing

The Fourth Street Business Improvement Association has retained the services of Curated media services to manage all social media content, updates, and postings for the 4th Street Instagram, Facebook, and Twitter platforms to promote Retro Row and its affiliated merchants in conjunction with existing marketing and advertising efforts. In addition, the Board has budgeted an additional amount of approximately \$500.00 per month for social media and print media targeted advertising and promotion.

Events

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 a free trolley, live music, and 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. Additionally, we will be purchasing trash receptacles as well as hiring a waste management firm to empty them on a regular basis.

Management

Aside from ongoing insurance and accounting service expenses, the Association has created a dedicated administrative position to take and post monthly meeting notes, maintain and update email contact lists, research and submit grants and sponsorships, and perform basic website maintenance updates for a \$1,200 monthly fee. 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. Also, we have recently contracted 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 in combination with adjusted parking rates have resulted in additional monthly revenue for the BID. The installation of paid parking in calendar year 2020 throughout the area will also increase our revenue.