



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

## R-22

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

September 16, 2008

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

### RECOMMENDATION:

Adopt the attached Resolution approving the Annual Assessment Report from October 1, 2008 to September 30, 2009 for the Fourth Street Parking and Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for October 7, 2008. (District 2)

### DISCUSSION

The Fourth Street Improvement Association 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 assessment report be submitted to the City Council by the Advisory Commission designated for the Assessment District. On July 24, 2008, the FSPBIA Board voted to recommend to the City Council approval of the FSPBIA Assessment Report (Attachment A).

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

The recommended Resolution of Intention grants approval of the assessment report, declares the intention of the City Council to levy the assessment for proposed activities and sets the date of a public hearing for October 7, 2008 (see attached resolution).

This letter was reviewed by Assistant City Attorney Heather Mahood on July 18, 2008, Budget Management Officer Victoria Bell on August 26, 2008, and the City Treasurer's Office on August 15, 2008.

TIMING CONSIDERATIONS

City Council action is requested on September 16, 2008, to set the date for the public hearing as soon as possible after the start of the contract year, which begins on October 1, 2008.

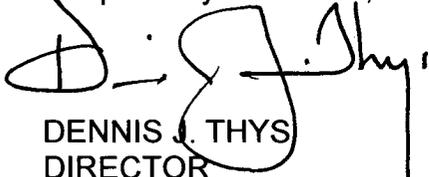
FISCAL IMPACT

It is estimated that the FSPBIA will generate \$10,800 in Fiscal Year 2009 (FY 09) 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 Fourth Street Improvement Association for implementation of annual programs. Sufficient funds are currently appropriated in the Parking and Business Area Improvement Fund (SR 132) in the Department of Community Development (CD). There is no fiscal impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DENNIS J. THYS  
DIRECTOR  
DEPARTMENT OF COMMUNITY DEVELOPMENT

DJT/RMS:tb  
9-16-08 4th Street PBIA ROI v3.doc

Attachments: Attachment A: Fourth Street Parking and Business Improvement Area Annual Report and Service Plan  
Resolution of Intention Approving Annual Report and Levy

APPROVED:



PATRICK H. WEST  
CITY MANAGER



**Fourth Street Parking and Business  
Improvement Area**

**Fiscal Year 2009 Assessment  
Report and Service Plan**

*For the period*

October 1, 2008 to September 30, 2009

August 2008

**Fourth Street Parking and Business Improvement Area  
2009 Assessment Report and Service Plan**

**City of Long Beach, California**

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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. No changes to the boundaries or assessment methodology are requested for this period.

The purpose of the district is to promote and market the Fourth Street shopping district through events 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 Carroll Park North. 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 2009 fiscal year revenue from business assessments is \$10,800.

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

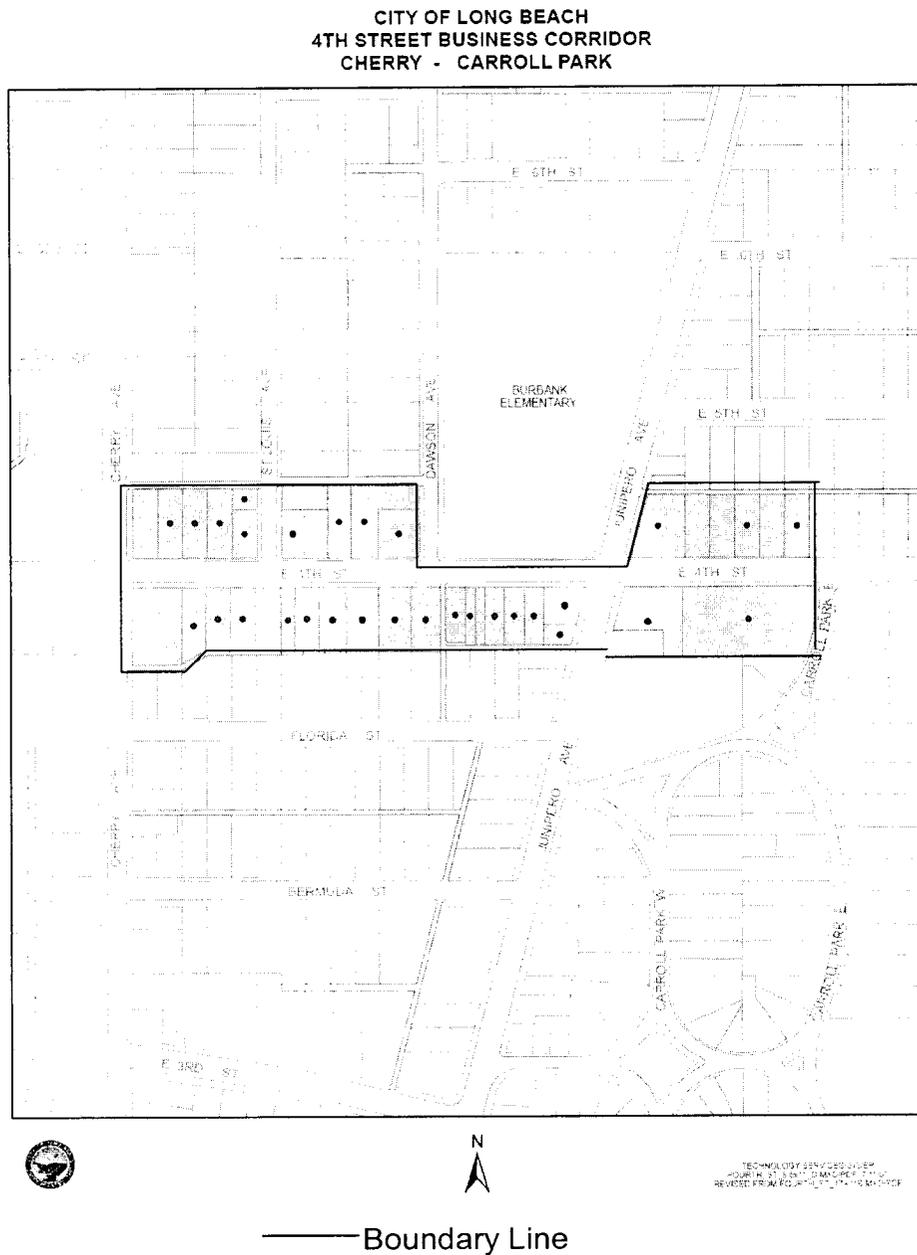
- Each miscellaneous, wholesale, mobile business, contractor, commercial space rental and professional services licensee is assessed \$100 per year
- Each Non profit organization is assessed \$100 per year
- Secondary service operator and residential rental licensees are exempt from the assessment

**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 Parking and Business Improvement Area Boundary

### A. District Map – 4<sup>th</sup> Street; Cherry Avenue to Carroll Park East



### B. General Description

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

### III. SERVICE PLAN AND BUDGET

#### A. District Needs and Purpose

The area along Fourth Street between Cherry Avenue and Carroll Park East offers a truly unique shopping area. This relatively small area is known regionally as well as internationally for its eclectic shops and hip product selection.

Fourth Street businesses continue making strides in promoting the district. Working together during the first year of the business improvement district, the FSIA has continued with regular meetings, gained the participation of the additional businesses and increased the scope and impact of marketing and promotional programs. Programs conducted during 2008 include:

- Sidewalk sales
- Holiday Open House event
- Street Fairs
- Regular street clean-ups
- "Garden Walk Development"
- Business listing brochure
- Street safety and business education
- Joint advertising
- 4th Street Fair
- Development of 4th Street Retro Row website
- 4th Street Retro Row Street banners
- Regular street cleaning of 4th Street Retro Row
- Implementation of adopt a tree program on 4th Street Retro Row
- Development of a business outreach committee on 4th Street Retro Row
- Pursue the development of a pocket park on the vacant lot on 4th Street and Cherry Avenue

Planned FY 2009 activities include:

- 2 Sidewalk sales
- Holiday Open House event
- Street Fair
- Regular street clean-ups
- "Garden Walk Development"
- Business listing brochure
- Street safety and business education
- Joint advertising
- 4th Street Fair
- Development of 4th Street Retro Row website
- 4th Street Retro Row Street banners
- Regular street cleaning of 4th Street Retro Row

- Development of a business outreach committee on 4th Street Retro Row
- Pursue the development of a pocket park on the vacant lot on 4th Street and Cherry Avenue

## **B. Service Plan**

The FSPBIA Service Plan provides for funding for marketing and promoting and maintaining the cleanliness and attractiveness of the shopping area. Although we are a new organization, with relatively few participants, we have amassed a modest budget that will enable us to plan and promote events, as well as contribute to the overall cleanliness of our area.

Services to be provided are:

### **1. Marketing Media and Materials Amount: \$2,800**

These services will include the development and continual updating of the 4th Street website, as well as print advertising for our special events and general pieces to promote the street.

### **2. Promotional Events Amount: \$2800**

We have approached 2009 with cautious enthusiasm. Planned events include sidewalk sales, Holiday open house, and last Thursdays. Beginning with a portion of last year's budget, we have stated saving some "seed money" so that we will be able to host a 4th Street Fair in the near future.

### **3. Streetscape and Cleanliness Amount: \$2,800**

In an ongoing effort to maintain the cleanliness of our street, we have earmarked funds for street-scaping and cleanliness. One of the major budget items for this year will be for sidewalk cleaning, which will certainly brighten up the street and improve its aesthetic.

## **C. Services Budget**

Services will be provided based on the following estimated allocation of FSPBIA revenue totaling \$10,800 for FY 2009. No Consumer Price Index adjustment is applied to assessment fees for FY 2009.

## 2009 FSBIA Budget

### PROGRAMS

Marketing		
Website	\$ 240	
Marketing Collaterals	1,060	
Advertising	<u>1,500</u>	
Subtotal	2,800	
Promotional Events		
Summer Street Fair Seed	1,800	
Holiday Open House	600	
Last Saturday's (4 per yr)	<u>400</u>	
Subtotal	2800	
Streetscape & Cleanliness		
Landscaping Supplies	\$ 600	
Sidewalk Cleaning	1,200	
Street Signage	600	
Graffiti/Vandalism Repair	200	
Bike parking	<u>200</u>	
Subtotal	2800	
	Programs Total	\$8,400

### ADMINISTRATION

Accounting	\$ 90	
Tel./Fax	300	
Insurance	1,200	
Supplies	300	
Postage	90	
Contingency	<u>420</u>	
	Administration Total	\$2,400

**2009 Budget Total      \$10,800**

Estimated Fiscal Year 2008 year-end revenue carryover is \$7500. These funds will be used to establish a prudent operating reserve and provide additional program funding in FY 2009.

#### **IV. ASSESSMENTS**

##### **A. Methodology**

Improvements and activities identified in the Service Plan are designed to improve the appearance of pedestrian areas, improve safety and make the area more attractive to customers. All businesses in the district will benefit from these improvements, but 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 for their business. Therefore, these businesses pay a reduced assessment. The proposed assessment rate for each business operating within the District is shown in the following table.

<b>Business License Category</b>	<b>Rate</b>
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, Rec/Ent, Vend, Manf, Uniq, Whlsl,	100
Commercial space rental	100
Non-profit business operations	100
Residential property rental	0
All Secondary Licensees	0

Estimated FY 2009 assessment revenue is \$10,800.

#### **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 County. The annual increase shall not exceed three (3%) percent 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.

### **VII. DISTRICT GOVERNANCE**

#### **A. The Fourth Street 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 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 assessees request 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 assessees who pay 50% or more of the total assessments levied submit a written petition to disestablish the District, the City Council will do so.

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH APPROVING AN ANNUAL REPORT  
FOR OCTOBER 1, 2009 TO SEPTEMBER 30, 2009 FOR  
THE FOURTH STREET PARKING AND BUSINESS  
IMPROVEMENT AREA ("FSPBIA") 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 Parking and Business Improvement Area Advisory  
Board has caused a Report to be prepared for October 1, 2008 to September 30, 2009  
relating to the Fourth Street Parking and Business Improvement Area ("FSPBIA") which  
is located generally in that section of the City of Long Beach generally 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, 2008 to September 30, 2009 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, 2008 to September 30, 2009. 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. C-6646, Section 5, as adopted by the City Council on September 19, 1989; and

6 WHEREAS, a copy of the Report is on file with the City Clerk and includes  
7 a full description of the activities and improvements to be provided from October 1, 2008  
8 to September 30, 2009, the boundaries of the area, and the proposed assessments to be  
9 levied on the businesses that fiscal year and all other information required by law; and

10 WHEREAS, it is the desire of this City Council to fix a time and place for a  
11 public hearing to be held in the City Council Chamber of the City of Long Beach on  
12 October 7, 2008, at 5:00 p.m., regarding the Report, the levy and the proposed program  
13 for October 1, 2008 to September 30, 2009;

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

16 Section 1. That certain Report entitled "Assessment Report for  
17 October 1, 2008 to September 30, 2009, Fourth Street Parking and Business  
18 Improvement Area" as filed with the City Clerk is hereby approved.

19 Section 2. On October 7, 2008, at 5:00 p.m., in City Council Chamber,  
20 City Hall, 333 West Ocean Boulevard, Long Beach, California 90802, the City Council of  
21 the City of Long Beach will conduct a public hearing on the levy of proposed  
22 assessments for October 1, 2008 to September 30, 2009 for the FSPBIA. All concerned  
23 persons are invited to attend and be heard, and oral or written protests may be made, in  
24 accordance with the following procedures:

25 A. At the public hearing, the City Council shall hear and consider  
26 all protests. A protest may be made orally or in writing by any interested  
27 person. Any protest pertaining to the regularity or sufficiency of the  
28 proceedings shall be in writing and shall clearly set forth the irregularity or

1 defect to which the objection is made.

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

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

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

17 Section 3. The City Clerk shall give notice of the public hearing called for  
18 in Section 2 by causing this Resolution of Intention to be published once in a newspaper  
19 of general circulation in the City not less than seven days before the public hearing. This  
20 resolution shall take effect immediately upon its adoption by the City Council, and the City  
21 Clerk shall certify the vote adopting this resolution.

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

24 I hereby certify that the foregoing resolution was adopted by the City  
25 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2008, by the

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OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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following vote:

Ayes: Councilmembers:

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Noes: Councilmembers:

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Absent: Councilmembers:

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\_\_\_\_\_  
City Clerk

HAM:fl  
7/18/08; rev. 7/23/08  
#A08-02057

**Exhibit A**

**FY 2009 Fourth Street PBIA  
Assessment Formula**

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<b>Business License Category</b>	<b>Rate</b>
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, Rec/Ent, Vend, Manf, Uniq, Whlsl,	100
Commercial space rental	100
Non-profit business operations	100
Residential property rental	0
All Secondary Licensees	0

Estimated FY 2009 assessment revenue is \$10,800.