



Legislation Details (With Text)

File #: 19-0313 **Version:** 1 **Name:** ED - East Anaheim PBIA - Add new busines types
Type: Resolution **Status:** Adopted
File created: 3/14/2019 **In control:** City Council
On agenda: 4/9/2019 **Final action:** 4/9/2019

Title: Recommendation to adopt Resolution of Intention declaring the intention of the City Council to add new business types to the East Anaheim Street Parking and Business Improvement Area methodology of assessment and, set the date of Tuesday, April 23, 2019, for the public hearing. (Districts 3,4)

Sponsors: Economic Development

Indexes:

Code sections:

Attachments: 1. 040919-C-8sr&att.pdf, 2. RES-19-0049.pdf

| Date | Ver. | Action By | Action | Result |
|----------|------|--------------|----------------------------------|--------|
| 4/9/2019 | 1 | City Council | approve recommendation and adopt | Pass |

Recommendation to adopt Resolution of Intention declaring the intention of the City Council to add new business types to the East Anaheim Street Parking and Business Improvement Area methodology of assessment and, set the date of Tuesday, April 23, 2019, for the public hearing. (Districts 3,4)

The City of Long Beach (City) contracts with the Zaferia Business Association (ZBA) to promote and market the commercial area along East Anaheim Street using funds generated through the assessment of businesses located in the East Anaheim Street Parking and Business Improvement Area (EASPBI). The ZBA Board of Directors serves as the Advisory Board to the City Council and makes recommendations regarding the EASPBI boundaries, improvements, maintenance, and activities to be provided, including the method and basis of levying the assessment.

The Advisory Board has voted to make a formal request to the City Council to add new business types to the existing EASPBI methodology of assessment. The new business types include:

1. Financial institutions (banks)
2. Insurance companies
3. Nonprofits

The "Request for New Members Report," transmitting the recommendations of the Advisory Board, proposes the following assessment rates for the new business types:

Method of Assessment

Assessments are calculated as follows:

- Type 1 Businesses: Financial institutions shall pay an annual assessment fee of:
 - o Base Fee: \$300 per year, except that secondary licensees in these classes are exempt; and,
 - o Employee Fee: \$15 per employee up to \$300 maximum.

- Type 2 Businesses: Insurance companies shall pay an annual assessment fee of:
 - o Base Fee: \$200 per year, except that secondary licensees in these classes shall pay a base fee of \$120; and,
 - o Employee Fee: \$15 per employee up to \$300 maximum.

- Type 3 Businesses: Nonprofit organizations shall pay an annual assessment fee of:
 - o Base Fee: \$100 per year; and,
 - o Employee Fee: not applicable.

It is estimated that the changes to the EASPBIA methodology of assessment will generate an additional \$2,255 per fiscal year. The ZBA proposes to add the new revenue to the ZBA marketing budget, which will help fund the creation of “welcome” brochures that can be provided to all new members of the ZBA.

The Resolution of Intention grants approval of the Request for New Members Report, and declares the intention of the City Council to add new business types to the methodology of the assessment, levy the assessment for proposed activities, and sets the date of the public hearing for April 23, 2019. An amendment to the Ordinance establishing the EASPBIA will be required and will be an additional approval item during the public hearing, to add the new business types to the methodology of assessment.

This matter was reviewed by Deputy City Attorney Amy R. Webber on March 19, 2019 and by Budget Management Officer Rhutu Amin Gharib on March 14, 2019.

City Council action is requested on April 9, 2019, to set the date of the public hearing for April 23, 2019.

It is estimated that the changes to the EASPBIA methodology of assessment will generate \$2,255 in FY 19. Assessment funds are collected through additional fees attached to EASPBIA business licenses. All revenues are passed directly through to the ZBA for implementation of annual programs. This recommendation has minimal 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.

Approve recommendation.

[Enter Body Here]

JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER