



Legislation Text

File #: 17-0812, **Version:** 1

Recommendation to adopt resolution approving the Annual Report for October 1, 2017 to September 30, 2018, for the East Anaheim Street Parking and Business Improvement Area, declaring its intention to levy the annual assessment, and setting the date of hearing for Tuesday, October 10, 2017 at 5:00 p.m. (Districts 3,4)

The East Anaheim Street Business Alliance (EASBA) promotes and markets the commercial area along Anaheim Street using funds generated through the assessment of businesses located in the East Anaheim Street Parking and Business Improvement Area (EASPBA). 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 July 13, 2017, the EASBA Advisory Board voted to recommend to the City Council approval of the EASPBA Annual Report (Exhibit A to 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 includes two new business types, non-profit businesses and home-based businesses, and an expanded list of businesses to include banking institutions in the Type 1 Businesses category in the method of levying the assessment. There is no significant change to the proposed activities.

The Fiscal year 2018 Annual Report, transmitting the recommendations of the Advisory Board, proposes the following assessment rates:

Method of Assessment

Special benefit assessment of businesses operating within the area. The estimated 2017-2018 fiscal year revenue from business assessments is \$140,000. Assessments are calculated as follows:

- Type 1 Businesses: Retail, recreation and entertainment, unique businesses, and baking institutions, shall pay annual assessment fees of:
 - o Base fee: \$300 per year except that secondary licenses in these classes are exempt; and,
 - o Employee Fee: \$15 per employee up to \$300 maximum.
- Type 2 Businesses: Service, vending, professional, wholesale, contractor, manufacturing, and miscellaneous mobile businesses shall pay annual assessment fees of:

- o Base Fee: \$200 per year except that secondary licenses in the classes shall pay a base fee of \$120; and,
 - o Employee Fee: \$15 per employee up to \$300 maximum.
- Type 3 Businesses: Non-residential space rental businesses shall pay annual assessment fees of:
 - o Base Fee: \$120 per year; and,
 - o Employee Fee: not applicable.
- Type 4 Businesses: Non-profit businesses shall pay annual assessment fees of:
 - o Base Fee: \$100 per year; and,
 - o Employee Fee: not applicable.
- Type 5 Businesses: Home-based businesses that voluntarily choose to be a member of the organization shall pay annual assessment fees of:
 - o Base Fee: \$100 per year; and,
 - o Employee Fee: not applicable.

Note: Residential property rental is exempt from the assessment.

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 October 10, 2017.

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 21, 2017 and by Budget Analysis Officer Julissa José-Murray on August 24, 2017.

City Council action is requested on September 19, 2017, to set the date of the public hearing for October 10, 2017. The new contract year begins on October 1, 2017.

It is estimated that the EASPBIA will generate \$140,000 in FY 18 through the proposed continuation of the assessment. Assessment funds are collected through additional fees attached to EASPBIA business licenses. All revenues are passed directly through to the EASBA for implementation of annual programs. There is no local job impact associated with this recommendation.

Approve recommendation.

[Enter Body Here]

JOHN KEISLER
DIRECTOR OF ECONOMIC
& PROPERTY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER