



Legislation Text

File #: 23-0101, Version: 1

Recommendation to approve the Uptown Property and Business Improvement District Annual Report and Assessment for the period of January 1, 2023, through December 31, 2023, automatically extending the current agreement with the Uptown Property and Community Association for a one-year period; and authorize payment of \$27,263 in City property assessments from the General Fund Group.
(Districts 8,9)

The Uptown Property and Business Improvement District (UPBID) was established by the City Council in 2013 for an initial term of five years. The UPBID was renewed in 2018 for a term of ten years. The City of Long Beach (City) contracts with Uptown Property and Community Association (UPCA) to manage the UPBID and the UPCA Board of Directors serve as the Advisory Board to the City Council on matters related to the UPBID. UPCA utilizes the UPBID funding to provide enhanced maintenance, security, and marketing above and beyond the services provided by the City.

State law governing Property and Business Improvement Districts requires that an annual report be submitted to the City Council by the Advisory Board designated for this Assessment District. The UPBID 2022-2023 Annual Report (Annual Report) (Attachment A) describes the 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 UPBID boundaries, benefit zones, or the method of assessment.

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

Method of Assessment

The UPBID assessment is computed based on three primary parcel characteristics: (1) land use type, (2) linear frontage, and (3) lot square footage. Each parcel’s special benefit points are calculated as follows:

Parcel’s Linear Factor	+	X	Parcel’s Special Factor	X	Parcel’s Total Benefit Points
Parcel’s Lot Factor					

The original maximum rate per Special Benefit Point is \$42.36864.

Parcel Factors

Each parcel’s Linear Factor is computed by dividing the parcel’s specific linear frontage by

the median frontage at the time of formation, 45 feet.

Each parcel's Lot Factor is computed by dividing the parcel's specific lot square footage by the median lot square footage at the time of formation, 4,792 square feet.

Special Factor

Certain mobile homes, apartments, and school properties were assigned a Special Factor to account for special circumstances related to distance from the improvements and the nature of the land use. Details about these factors can be found in the June 2018 Formation Engineer's Report for the BID.

Total Benefit Points

The Total Benefit Point assignment for each property land use is shown in the following table:

Property Land Use	Aesthetic Benefit Points	Safety Benefit Points	Economic Benefit Points	Total Benefit Points
Commercial Property	1.00	1.00	3.00	5.00
Apartment Property	1.00	1.00	2.00	4.00
Undeveloped Property	1.00	1.00	1.50	3.50
Single-Family Residential Property	1.00	1.00	0.00	2.00
Mobile Home Park Property	1.00	1.00	0.00	2.00
Public/Church Property	1.00	1.00	0.00	2.00

Assessment Rate Increases

Each fiscal year beginning Fiscal Year 2019-2020, the maximum allowable assessment rate per Special Benefit Point will increase by 4 percent. The annual assessment cannot exceed the actual costs to operate the PBID in any given year. The UPCA Advisory Board proposed a rate increase of 4 percent for fiscal year 2022-2023, increasing the maximum rate per Special Benefit Point to \$49.56532.

The table below shows the historical, maximum, and actual assessment rates for the PBID:

Fiscal Year	Maximum Rate Change	Maximum Rate Per Special Benefit Point	Actual Rate Change*	Actual Rate Per Special Benefit Point
2018-2019		\$42.36864		\$42.36864
2019-2020	4.00%	44.06339	0.00%	42.36864
2020-2021	4.00%	45.82592	-0.64%	42.09650
2021-2022	4.00%	47.65896	4.67%	44.06339

2022-2023	4.00%	49.56532	0.00%	44.06339
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*The slight variation in the change of Actual Rate Per Special Benefit Point vs. the proposed rate is due to changes in parcel and assessor's data.

This matter was reviewed by Deputy City Attorney Marsha Yasuda on January 19, 2023 and by Budget Management Officer Nader Kaamoush on December 29, 2022.

City Council action is requested on February 7, 2023, so that the 2023 assessment transfers may be made as required by the Agreement for Funding with UPCA.

It is estimated that the UPBID will generate \$195,259 in 2023 through the proposed continuation of the assessment. Assessment funds are collected through additional fees attached to property owner assessment payments in the UPBID area. All revenues are distributed directly to UPCA for the implementation of annual programs.

The total City share of the UPBID assessment for 2023 is \$28,354. Sufficient funds are budgeted in the General Fund Group in the Library Services, Parks, Recreation, and Marine, and Fire Departments to cover the costs of the assessment. 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.

Approve recommendation.

[Enter Body Here]

BO MARTINEZ
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER