



## Legislation Text

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**File #:** 07-0405, **Version:** 1

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Recommendation to adopt resolution to form the Andy Street Multi-family Improvement District (AMID) and set a date for a public hearing on June 5, 2007, at 5:00 p.m.; receive petitions; and designate Andy Street Improvement Association (AIA) as the owners' association for the AMID. (District 9)

Property owners and businesses in the vicinity of the portion of Andy Street north of South Street and west of Downey Avenue have petitioned the City for creation of a multi-family improvement district. The proposed Andy Street Multi-family Improvement District (AMID) will be made up of property and business owners within the proposed boundaries.

The Andy Street Multi-family Improvement District Management Plan and Engineers Report (Management Plan) details the amount and method of assessment for each property and business owner, the AMID boundaries, and improvements for which the funds will be used. The Management Plan is provided as an exhibit to the attached Resolution of Intention.

Community Development Department staff has worked with property and business owners in the area for several years to reduce crime, enhance resident safety and improve the economic vitality of area businesses. Property and business stakeholders representing 67% of the total proposed district assessment have signed petitions in support of the district and related assessment.

### Use of Funds

Under the Multi-family Improvement District Law as referenced in Section 36701 of the California Streets and Highways Code (Law), Andy Street property and business owners may assess themselves for supplemental security patrol and other services including: marketing, managerial services, cleaning services, parking facilities, benches, pedestrian shelters, signs, entry monuments, trash receptacles, street lighting, street decorations, parks, fountains, planting areas and street modifications within the scope described in the Management Plan and within the AMID.

Under the proposed Management Plan, AMID funds are to be used to administer security and safety programs to reduce crime and improve the quality of life for residents on Andy Street and the adjacent shopping area. The AMID is expected to generate approximately \$107,552 in its first year for these services. The first year levy of assessment will cover the period of October 1, 2007 through September 30, 2008.

### Assessment Methodology

Property and business owners have emphasized that the assessment formula for the AMID be fair and equitable to all members of the district. Lot square footage and business use are relevant to the security benefit of district stakeholders and reflect the special benefit of the AMID. Based on these considerations, the following method will be used to determine the assessment:

1 - Multi-family residential properties located along Andy Street will be assessed at \$3,600 per parcel per year.

2 - Commercial properties located within the district boundaries will be assessed at \$0.015 per lot square foot per year up to a maximum of \$2,400.

3 - Licensed business operators within the district will be assessed a base rate plus an additional \$10 per employee per year, as follows:

Category	Base Rate	Emp Rate
Financial/Banking & Insurance	\$225.00	\$10.00
Real Estate Offices and Consulting	\$200.00	\$10.00
Retail	\$150.00	\$10.00
Bar or Restaurant w/Alcohol	\$300.00	\$10.00
Restaurant Ready to Eat	\$200.00	\$10.00
Construction Contractor	\$175.00	\$10.00
Service	\$125.00	\$10.00
Professional	\$200.00	\$10.00
Non-Profit	\$125.00	N/A
Secondary Retail Service License	\$ 76.25	N/A
Miscellaneous Mobile, Recreation, Unique, Entertainment, and Wholesale	\$125.00	\$10.00

<u>Category</u>	<u>Base Rate</u>	<u>Emp. Rate</u>
Financial/Banking & Insurance	\$225.00	\$10.00
Real Estate Offices and Consulting	220.00	10.00
Retail	150.00	10.00
Bar or Restaurant w/Alcohol	300.00	10.00
Restaurant Ready to Eat	200.00	10.00
Construction Contractor	175.00	10.00
Service	125.00	10.00
Professional	200.00	10.00
Non-Profit	125.00	N/A
Secondary Retail Service License	76.25	N/A
Miscellaneous Mobile, Recreation, Unique, Entertainment, and Wholesale	125.00	10.00

Property owner assessments will be collected by Los Angeles County on annual property tax bills and transferred to the City. The City will collect business assessments through the business license billing system.

### Adoption Process

The attached Resolution of Intention (ROI) and Management Plan are necessary to establish AMID boundaries, specify its mission and describe the planned improvements and activities. The ROI also establishes the AMID Advisory Board, provides the method and basis of levying the assessment and proposes that the Andy Street Improvement Association (AIA) administer district programs.

The adoption of the attached ROI would declare the City Council's intention to begin the AMID proceedings and set a public hearing for June 5, 2007 at 5:00 p.m. To comply with the Law, an

election of stakeholders to be assessed must be conducted. A ballot will be mailed to all members of the district upon adoption of the attached ROI. A notice of hearing will also be published as required by the ROI. Business owners will be sent a notice of protest proceeding a public hearing.

Election votes will be tabulated at the public hearing. Vote values will be weighted according to assessment amount determined by the assessment methodology described in the attached Management Plan. If, at the public hearing, more than two-thirds of the property assessment vote in favor, the AMID shall be formed. If owners representing more than one-third of the assessment vote against the AMID, it shall not be formed.

The City Council shall receive written or oral protests from business owners at the public hearing. Protests must be filed in writing with the City Clerk and must contain sufficient detail to identify the business and evidence allowing the City to substantiate ownership, so as to obtain a count in determining a majority protest. If valid written protests are received from business owners comprising 50 percent or more of the total proposed AMID merchant assessment, and if none are withdrawn, the district shall not be formed.

This letter was reviewed by Assistant City Attorney Heather Mahood on March 21, 2007, Budget Management Officer David Wodynski on March 29, 2007, and the City Treasurer's Office on March 22, 2007.

The AMID formation must be completed prior to July 31, 2007 to allow timely submittal of the assessment roll to Los Angeles County and the Business License Bureau.

If the district is approved following the June 5, 2007 public hearing, a Special Revenue Fund in the Department of Community Development will be established for administration of AMID revenue. Expenditures will be limited to revenue collected through assessments. The City will not be fiscally liable for any activities of the AMID.

There will be no impact on the General Fund.

Approve recommendation.

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH  
DECLARING THE INTENTION OF THE CITY COUNCIL TO ESTABLISH THE ANDY STREET  
MULTI-FAMILY IMPROVEMENT DISTRICT, FIXING THE TIME AND PLACE OF A PUBLIC  
HEARING THEREON AND GIVING NOTICE THEREOF

PATRICK H. WEST  
DIRECTOR OF COMMUNITY DEVELOPMENT

NAME  
TITLE

APPROVED:

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GERALD R. MILLER  
CITY MANAGER