



Legislation Text

File #: 19-1021, **Version:** 1

Recommendation to adopt resolution approving the Annual Report for October 1, 2019 to September 30, 2020, for the Bixby Knolls Parking and Business Improvement Area, declaring its intention to levy the annual assessment, and setting the date of hearing for November 19, 2019. (Districts 7,8)

DISCUSSION

The Bixby Knolls Parking and Business Improvement Area (BKPBIA) was established by the City Council in 1989, allowing for the levy of an annual business license assessment to be paid by businesses located in the BKPBIA. The City of Long Beach (City) contracts with the Bixby Knolls Business Improvement Association (BK BIA) to manage the BKPBIA and the BK BIA Board of Directors serves as the Advisory Board to the City Council on matters related to the BKPBIA. The BK BIA promotes and markets the BKPBIA using funds generated through the BKPBIA business license assessment.

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 August 29, 2019, the BKPBIA Advisory Board voted to recommend to the City Council approval of the 2019-2020 BKPBIA Annual Report (Annual Report) (Exhibit A to the 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 proposes no change to the BKPBIA boundaries or the method of levying the assessment and no significant change to proposed activities.

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

Method of Assessment

The annual base assessment for businesses is \$250. Nonprofits are assessed a base fee of \$150. An additional \$20 is added annually to the assessment fee to make up the gap between the sunseting Redevelopment Agency funds and assessment fees. There are no proposed changes to the method and basis of levying the assessment from last year outside of the allowed Consumer Price Index adjustment.

Method of Assessment with Consumer Price Index Adjustment

BUSINESS BASE RATE	TOTAL RATE
\$264.20 + \$10.05 (3.81%) + \$20	\$294.25
NONPROFIT BASE RATE	TOTAL RATE
\$158.52 + \$6.03 (3.81%) + \$20	\$184.55

Each year the City calculates the Consumer Price Index (CPI), an adjustment for consumer goods and services, and applies the CPI to various City fees on July 1st of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The BKPBIA Advisory Board has decided not to request a July 2020 CPI adjustment

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 November 19, 2019.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 30, 2019 and by Budget Management Officer Rhutu Amin Gharib on September 29, 2019.

City Council action is requested on October 15, 2019, to set the date of the public hearing for November 19, 2019. The new contract year begins on October 1, 2019.

It is estimated that the BKPBIA will generate \$255,000 in FY 20 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the BKBIA through additional fees and passed directly through to the BKBIA for implementation of annual programs. 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.

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JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER