

Legislation Details (With Text)

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Title:	Recommendation to approve the Uptown Property and Business Improvement District Annual Report and Assessment for the period of January 1, 2016 through December 31, 2016, automatically extending the current agreement with the Uptown Property and Community Association for a one-year period; and authorize payment of \$54,561 in City property assessments. (Districts 8,9)						
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Date	Ver.	Action By			Ac	tion	Result
12/22/2015	1	City Cou	ncil		ар	prove recommendation	Pass

Recommendation to approve the Uptown Property and Business Improvement District Annual Report and Assessment for the period of January 1, 2016 through December 31, 2016, automatically extending the current agreement with the Uptown Property and Community Association for a one-year period; and authorize payment of \$54,561 in City property assessments. (Districts 8,9)

Pursuant to the Property and Business Improvement Law of 1994 (Law), the Uptown Property and Business Improvement District (UPBID) was established by the City Council in 2013 for a five-year period. Under the Law, Uptown Property and Community Association (UPCA) property owners assess themselves an additional fee to pay for various services beyond those provided by the City, including enhanced maintenance, public safety, beautification, marketing, and economic development programs.

The 1994 Law requires that the UPCA Advisory Board approve and file an Annual Report describing their projected budget and expenditures. The Fiscal Year (FY 16) Annual Report is attached for City Council approval. The levy of assessment will cover the period of January 1, 2016 through December 31, 2016.

The Board-approved UPBID rate of assessment is based on parcel size and use, as shown on Page 4 of the attached Annual Report. The UPBID Management Plan allows up to a 4 percent per year cost-of-living increase in the assessment rate. For FY 16 the UPBID Board voted to maintain the assessment at the same rate as FY15.

The UPBID assessment area contains properties owned by private commercial owners and the City of Long Beach. In FY 16, properties over 20,000 square feet up to 100,000 square feet are

assessed an annual amount of \$0.09 per square foot. Properties less than 20,000 square feet will be assessed at a rate no greater than \$0.08 per square foot. Properties larger than 100,000 square feet will be assessed an annual amount of \$0.10 for each square foot. The total property assessment to be collected by the City and paid to the UPBID for the period of January 1, 2016 through December 31, 2016 is estimated at \$180,722. A portion of the proposed assessment is attributable to City-owned parcels and will be paid from the City's General Fund. The total proposed FY 16 assessment for the parcels owned by the City is \$54,561.

The Successor Agency will pay its assessment as a Parcel Owner until such time as the Successor Agency's parcels located within the UPBID boundaries are transferred. The total proposed FY 16 assessment for parcels owned by the Successor Agency is \$3,668.

The Law also allows the City to contract with service providers to carry out the UPBID Program. Since 2013, the City of Long Beach has contracted with UPCA to carry out the UPBID programs. The current agreement provides that the term be automatically extended on a yearto-year basis upon City Council approval of the Assessment Report (included in the Annual Report) and related levy of assessments.

This matter was reviewed by Deputy City Attorney Amy R. Webber on November 5, 2015 and by Budget Operations Administrator Grace Yoon on December 9, 2015.

The UPBID's 2015 contract ends on December 31, 2015. City Council approval of the Annual Report and Assessment is requested on December 22, 2015, to continue the assessment and extend the contract for another year.

It is estimated that the UPBID will generate \$180,722 in FY 16 through the proposed assessment. Sufficient funds are included in the FY 16 Budget in the Parking and Business Area Improvement Fund (SR 132) in the Economic and Property Development Department (EP), for City pass-through payments to UPBID.

The estimated UPBID revenue includes a FY 16 assessment of \$54,561 for City-owned parcels to be paid from the General Fund (GF). Of that amount, \$22,956 will be absorbed by the Economic and Property Development Department (EP), \$22,782 is budgeted with the Parks, Recreation and Marine Department (PR), \$4,807 will be absorbed by the Fire Department (FD), \$4,017 will be absorbed by the Library Services Department (LS), and \$3,668 from the Successor Agency Fund (SA 270). Approval of this recommendation will provide continued support to the local economy.

Approve recommendation.

MICHAEL P. CONWAY, DIRECTOR ECONOMIC AND PROPERTY DEVELOPMENT DEPARTMENT

APPROVED:

PATRICK H. WEST CITY MANAGER