



## Legislation Details (With Text)

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<b>On agenda:</b>	1/21/2020	<b>Final action:</b>		<b>1/21/2020</b>	
<b>Title:</b>	Recommendation to approve the Midtown Property and Business Improvement District Annual Report continuing the property assessment for the period of January 1, 2020 through December 31, 2020, automatically extending the current agreement with the Midtown Property and Business Owner's Association for a one-year period; and, authorize payment of \$25,256 in City property assessments from the General Fund Group. (Districts 4,6)				
<b>Sponsors:</b>	Economic Development				
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<b>Code sections:</b>					
<b>Attachments:</b>	1. 012120-C-5sr&att.pdf				

Date	Ver.	Action By	Action	Result
1/21/2020	1	City Council	approve recommendation	Pass

Recommendation to approve the Midtown Property and Business Improvement District Annual Report continuing the property assessment for the period of January 1, 2020 through December 31, 2020, automatically extending the current agreement with the Midtown Property and Business Owner's Association for a one-year period; and, authorize payment of \$25,256 in City property assessments from the General Fund Group. (Districts 4,6)

The Midtown Property and Business Improvement District (MBID) was established by the City Council in 2015 for a five-year period. The City of Long Beach (City) contracts with Midtown Property and Business Owner's Association (MPBOA) to manage the MBID and the MPBOA Board of Directors serve as the Advisory Board to the City Council on matters related to the MBID. MPBOA utilizes the MBID funding to provide enhanced maintenance, security, marketing, and economic development, 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 MBID 2019-2020 Annual Report (Annual Report) (Attachment) 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 MBID boundaries, the method of assessment, and activities.

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

### Method of Assessment

The original assessment engineer determined the assessment should be allocated based on two parcel characteristics: lot square footage and building square footage. The original assessment rate per assessable square foot was \$0.0836. Assessable square foot is the sum of lot square footage and building square footage. Per the original engineer's report, "the assessment calculation is the same for every parcel in the PBID." The 2019-2020 assessment rate remained the same as the prior year at \$0.0836 per assessable square foot.

The table below shows the historical assessment rates:

Year	Rate per Assessable Square Foot
2016 /17	\$0.0836
2017 /18	\$0.0836
2018 /19	\$0.0836
2019 /20	\$0.0836

This matter was reviewed by Deputy City Attorney Amy R. Webber on December 30, 2019, and by Budget Management Officer Rhutu Amin Gharib on January 2, 2020.

City Council action is requested on January 21, 2020, so that FY 20 assessment transfers may be made as required by the Agreement for Funding with MPBOA.

It is estimated that the MBID will generate \$160,862 in FY 20 through the proposed continuation of the assessment. Assessment funds are collected through additional fees attached to property owner assessment payments in the MBID area. All revenues are distributed directly to MPBOA for implementation of annual programs.

The total City share of the MBID assessment for FY 20 is \$25,256. Sufficient funds have been budgeted in the General Fund Group in the Economic Development Department, Library Services Department, and the Parks, Recreation, and Marine Department. 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.

JOHN KEISLER  
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

THOMAS B. MODICA  
ACTING CITY MANAGER