



## Legislation Text

---

**File #:** 15-0316, **Version:** 1

---

Recommendation to authorize City Manager to execute any and all documents necessary for a license between the City of Long Beach and the Sares-Regis Group for the short-term use of former Airport Lot D for a Long Beach Auto Tent Sale on May 15 through May 17, 2015. (District 5)

The Fiscal Year 2015 Adopted Budget anticipates that sales tax receipts and in-lieu sales and use tax revenue will account for \$58.4 million, or fourteen percent, of all General Fund revenues. Unfortunately, when considering sales tax per capita relative to peer and neighboring city benchmarks, the City of Long Beach is experiencing tremendous sales tax leakage in various consumer-driven categories. Six (6) of the top twenty (25) sales tax generators in the City include car dealerships; yet, potential auto sales tax revenue could be enhanced to the tune of several million dollars, which the City of Long Beach is currently missing out on when consumers decide to make purchases of cars outside the City's boundaries.

Although car sale events and shows have occurred within the City of Long Beach over the years, these by large measure do not feature our own local businesses and often the proper collection, remittance, and allocation of sales tax revenue due to the City from purchases within our jurisdiction may not always be detected or documented resulting in the failure to adequately capture important revenue.

Therefore, the goal of this Long Beach Auto Tent Sale scheduled for Friday, May 15 through Sunday, May 17, 2015 is to raise the visibility of our local businesses, increase the capture of sales tax revenue, attract outside companies to relocate, and transform Long Beach into a premier destination to live, work and shop.

Lot D, at the intersection of Lakewood Boulevard and Conant Street, serves as an ideal location for this event due to its size and accessibility. The Long Beach Airport (Airport) previously leased Lot 0 from the Boeing Company (Boeing) for use as long-term remote parking; however, Boeing has since sold the property for future development.

The Sares-Regis Group now retains the said property and would serve as the licensor to the City for this particular three (3) day event requiring additional set-up and clean-up time and access by the participating automotive dealers who would need to transport, unload, move and locate their respective cars for sale to the public.

The proposed short-term License with Sares-Regis Group would contain the following major terms and provisions:

- Licensor: Sares-Regis Group
- Licensee: City of Long Beach
- Premises: Approximately 24.82 acres totaling 1,081,035 square feet.
- Term: The Term shall last no more than one (1) week.
- Use: The Premises shall be used by automobile dealers as sub-licensees for roughly six hundred (600) car spaces for general public viewing and potential sale(s).
- Additional: Security, parking management, site plan layout and the procurement of utilities and general equipment for use on the premises shall be the responsibility of each of the participating automobile dealers. All obligations under the License will be assigned to the event organizer through a Special Events or Occasional Event Permit.

CityCouncil action is requested on April 7,2015, in order to allow sufficient time to execute the License in a timely manner.

The participating automobile dealers will burden the cost of staffing, advertising and promoting the event. It is anticipated that any costs associated with the operation of the Premises will be offset in sales tax proceeds, resulting in net revenue for the City.

Approve recommendation.

COUNCILWOMAN, STACY MUNGO  
FIFT DISTRICT

COUNCILWOMAN, LENA GONZALEZ  
FIRST DISTRICT

COUNILMEMBER, ROBERTO URANGA  
SEVENTH DISTRICT