



Legislation Text

File #: 16-0920, **Version:** 1

Recommendation to receive supporting documentation into the record, conclude the public hearing, and adopt resolution continuing the East Anaheim Street Parking and Business Improvement Area assessment for the period of October 1, 2016 through September 30, 2017; and authorize City Manager to extend the agreement with the East Anaheim Street Business Alliance for a one-year term. (Districts 3,4)

The East Anaheim Street Business Alliance (EASBA) promotes and markets the commercial area along East Anaheim Street using funds generated through the assessment of businesses located in the East Anaheim Street Parking and Business Improvement Area (EASPBIA). The EASBA governs the assessment to be collected. To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment. A copy of the Annual Report describing proposed assessments, activities and allocations is attached to the Resolution as Exhibit A. These items were reviewed by the City Council at its meeting of September 13, 2016.

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 significant change in the boundaries, basis and method of levying the assessment, and no significant change in proposed activities.

At its September 13, 2016 meeting, the City Council approved Resolution No. RES-16-0084, granting approval of the Annual Report, declaring the intention of the City Council to levy the assessment, and set October 11, 2016 as the date of the public hearing. A hearing notice, including a copy of the Resolution, was published in local media.

State law provides that the City Council shall hear and consider all protests against the assessment, program, boundaries of the area, and/or any benefit zone as proposed in the Annual Report. State law further provides that protests may be made orally or in writing. Protests regarding the regularity or sufficiency of the proceedings shall be in writing. If written protests are received from area business owners representing greater than 50 percent of the proposed assessments, the City Council shall not levy the assessment. If protests in such quantity are directed against a specific portion of the program, the City Council shall eliminate that portion.

A Resolution is attached approving the Annual Report and budget for October 1, 2016 to September 30, 2017. Should the Annual Report be approved, the City Council is requested to authorize the execution of an agreement with the EASBA for the use of assessment funds

for marketing and promotional purposes. The Annual Report, transmitting the recommendations of the EASPBIA Advisory Board, proposes the following assessment rates:

Method of Assessment

This is the special benefit assessment for marketing and promotion of businesses operating within the area. Assessments are calculated as follows:

- Type 1 Businesses: Retail, recreation and entertainment, and unique businesses shall pay annual assessment fees of:
 - o Base Fee: \$300 per year except that secondary licensees in these classes are exempt; and,
 - o Employee Fee: \$15 per employee up to \$300 maximum.
- Type 2 Businesses: Service, vending, professional, wholesale, contractor, manufacturing and miscellaneous mobile businesses shall pay annual assessment fees of:
 - o Base Fee: \$200 per year except that secondary licensees in these classes shall pay a base fee of \$120; and,
 - o Employee Fee: \$15 per employee up to \$300 maximum.
- Type 3 Businesses: Non-residential space rental businesses shall pay annual assessment fees of:
 - o Base Fee: \$120 per year.
 - o Employee Fee: not applicable.

Residential property rental, home-based and secondary licensees are exempt from the assessment.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 19, 2016 and by Revenue Management Officer Julissa Josè-Murray on September 22, 2016.

City Council action is requested on October 11, 2016, to allow purchase order and contract modifications to be completed so that FY 17 assessment transfers may be made as required by the Agreement of Funding with the EASBA.

It is estimated that the EASPBIA will generate \$140,000 in FY 17 through continuation of the existing assessment. Assessment funds are collected through additional fees attached to EASPBIA business licenses and passed directly through to the EASBA for implementation of their annual programs. Sufficient funds are included in the FY 17 Budget in the Parking and Business Area Improvement Fund (SR 132) in the Economic and Property Development Department (EP) for City pass-through payment to EASBA. Approval of this recommendation will provide continued support to the local economy.

Approve recommendation.

[Enter Body Here]

KATHRYN McDERMOTT
INTERIM DIRECTOR OF ECONOMIC &
PROPERTY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER