



Legislation Text

File #: 17-0890, **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, 2017 through September 30, 2018; and, authorize City Manager, or designee, 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.

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 19, 2017 meeting, the City Council approved Resolution No. RES-17-0097, granting approval of the Annual Report, declaring the intention of the City Council to levy the assessment, and set October 10, 2017 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.

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

Method of Assessment

Special benefit assessment of businesses operating within the area. The estimated 2017-2018 fiscal year revenue from business assessments is \$140,000. 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; and,
 - o Employee Fee: not applicable.

Residential property rental is exempt from the assessment.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 27, 2017 and by Budget Analysis Officer Julissa José-Murray on September 14, 2017.

City Council action is requested on October 10, 2017, to allow purchase order and contract modifications to be completed so that FY 18 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 18 through the proposed continuation of the assessment. Assessment funds are collected through additional fees attached to EASPBIA business licenses. All revenues are passed directly through to the EASBA for implementation of annual programs. There is no local job impact associated with this recommendation.

Approve recommendation.

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JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER