



Legislation Text

File #: 08-0977, **Version:** 1

Recommendation to approve the Downtown Long Beach Property and Business Improvement District Annual Report for the period of January 1, 2009 through December 31, 2010, automatically extending the Agreement for Funding with the Downtown Long Beach Associates for one year. (Districts 1,2)

Downtown Long Beach Associates (DLBA) has three routine sources of revenue that pass through the City to the organization. They are: business operator assessments, property owner assessments and downtown parking meter revenue sharing. This action relates to property owner assessment funds for expenses related to security, maintenance, public relations, special projects, advocacy and economic development in Downtown Long Beach. City Council approves the business operator assessment separately. DLBA's 2009 comprehensive budget, including all sources of revenue, is provided for reference in Attachment A.

The Downtown Long Beach Property and Business Improvement District (DLB-PBID) was established by the City Council on August 4, 1998. On July 22, 2003, City Council again re-established the DLB-PBID. This re-establishment required a majority vote of the property owners in favor of re-establishing the district for a new term of ten years.

On January 12, 2001, City Council and DLBA executed an Agreement for Funding (Agreement) setting forth the duties and obligations of the parties. This Agreement is automatically extended on a year-by-year basis upon approval of the Annual Report and related levy of assessments by City Council.

Properties are assessed based upon location within three defined zones in the DLBPBID area. The assessment rate and level of program service provided varies, depending upon the zone in which the property is located. Assessment rates for 2009 are described in Section 6.3 of Attachment B. Total property assessment revenue of \$1,803,042 is reported in Section 8.

The DLB-PBID assessment area contains properties owned by private commercial property owners, the City of Long Beach, and the Long Beach Redevelopment Agency (RDA). In Fiscal Year 2009, the City assessment is \$401,062, of which \$188,298 is related to Pike property development and will be paid to the City by Developers Diversified Realty (DDR), as required by their lease. Thus, the City's net assessment is estimated at \$212,764. The Redevelopment Agency's assessment is estimated at \$70,647, which is approved by the Redevelopment Agency Board separately. City and RDA payments together total \$471,709 and represent approximately 26 percent of the total estimated levy of \$1,803,042 for program year 2009. Attachment C details City and RDA-owned properties located within the DLB-PBID.

The Property and Business Improvement District Law of 1994 (Law) requires that the DLBA Board of Directors file an Annual Report detailing the DLB-PBID assessment methodology and assessment levy filed with Los Angeles County. The subject levy of assessment will cover the DLB-PBID contract

period with the DLBA from January 1, 2009 through December 31, 2010. The Annual Report of Levy and Assessment is provided as Attachment B for City Council approval.

The Law also allows the City to contract with service providers to carry out the DLBPBID program. For the past ten years, the City has contracted with the DLBA to carry out the DLB-PBID Management Plan.

This letter was reviewed by Assistant City Attorney Heather Mahood on September 4, 2008, Budget Management Officer Victoria Bell on September 4, 2008, and the City Treasurer's Office on August 29, 2008.

[Timing Considerations]

[Fiscal Impact]

Approve recommendation.

[Enter Body Here]

NAME
TITLE

APPROVED:

PATRICK H. WEST
CITY MANAGER