



## Legislation Text

File #: 18-0890, Version: 1

Recommendation to adopt resolution approving the Annual Report for October 1, 2018 to September 30, 2019, for the Bixby Knolls Parking and Business Improvement Area, declaring its intention to levy the annual assessment, and setting the date of hearing for October 23, 2018. (District 7,8)

The Bixby Knolls Business Improvement Association (BKBIA) promotes and markets the commercial area along Atlantic Avenue and Long Beach Boulevard using funds generated through the assessment of businesses located in the Bixby Knolls Parking and Business Improvement Area (BKPBA). State law governing parking and business improvement areas requires that an Annual Report be submitted to the City Council by the Advisory Board designated for this assessment district.

On June 28, 2018, the BKBIA Advisory Board voted to recommend to the City Council approval of the BKPBA Annual Report (Exhibit A to Resolution). 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 change to the district boundaries, and no significant change to the method of levying the assessment or the proposed activities.

The Fiscal Year 2019 (FY 19) Annual Report, transmitting the recommendations of the BKPBA Advisory Board, proposes the following assessment rates:

### ASSESSMENT FORMULA

The annual base assessment for the period of July 1, 2018 to July 30, 2019, for businesses is \$257.02 and \$154.21 for non-profits. Each year a CPI adjustment will be applied to the base rate and, as of July 1, 2017, an additional \$20 assessment will be applied annually to the rates through 2023. The BKPBA assessment will be implemented on a July 1 to June 30 fiscal year, rate adjustments will take effect each July.

	<b>BUSINESS BASE RATE</b>	<b>NON-PROFIT BASE RATE</b>
July 1, 2016 - June 30, 2017	\$252.27	\$151.36
July 1, 2017 - June 30, 2018	$\$252.27 + \$4.75 \text{ CPI} + \$20$ = \$277.02	$\$151.36 + \$2.85 \text{ CPI} + \$20$ = \$174.21
July 1, 2018 - June 30, 2019	$\$257.02 + \$7.18 \text{ CPI} + \$20$ = \$284.20	$\$154.21 + \$4.31 \text{ CPI} + \$20$ = \$178.52

The City enters into agreements with business and/or property owner associations (associations), which utilize assessment revenues to provide services and improvements in Business Improvement District (BID) areas, that set forth the parameters and requirements of the relationship between the associations and the City. These agreements include requirements such as annual reporting requirements, deadlines, and payment schedules. These agreements perpetuate annually based on the City Council's approvals of annual reports. Per the City Auditor's recommendation in the BID Oversight Audit, the City will re-execute the agreement with BKBIA to reflect current procedures and other changes deemed necessary. The agreement will be periodically revisited as processes and requirements change to ensure it stays current and relevant.

The recommended Resolution grants approval of the Annual Report, declares the intention of the City Council to levy the assessment for proposed activities, and sets the date of the public hearing for October 23, 2018.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 17, 2018 and by Budget Analysis Officer Julissa José-Murray on September 19, 2018.

City Council action is requested on October 9, 2018, to set the date of the public hearing for October 23, 2018. The new contract year begins on October 1, 2018.

It is estimated that the BKPBIA will generate \$190,000 in FY 19 through the proposed continuation of the assessment. Assessment funds are collected through additional fees attached to BKPBIA business licenses. All revenues are passed directly through to the BKBIA for implementation of annual programs. There is no local job impact associated with this recommendation.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING THE ANNUAL ASSESSMENT REPORT FOR OCTOBER 1, 2018 TO SEPTEMBER 30, 2019 FOR THE BIXBY KNOLLS PARKING AND BUSINESS IMPROVEMENT AREA AND DECLARING ITS INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THAT FISCAL YEAR

JOHN KEISLER  
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST

CITY MANAGER