



Legislation Text

File #: 19-0850, **Version:** 1

Recommendation to adopt resolution approving the Annual Report for October 1, 2019 to September 30, 2020, for the Belmont Shore Parking and Business Improvement Area, declaring its intention to levy the annual business assessment, and setting the date of hearing for September 17, 2019. (District 3)

The Belmont Shore Parking and Business Improvement Area (BSPBIA) was established by the City Council in 1983, allowing for the levy of an annual business license assessment to be paid by businesses located in the BSPBIA. The City of Long Beach (City) contracts with the Belmont Shore Business Association (BSBA) to manage the BSPBIA and the BSBA Board of Directors serve as the Advisory Board to the City Council on matters related to the BSPBIA. The BSBA promotes and markets the commercial area along Second Street using funds generated through the BSPBIA business license assessment.

State law governing Parking and Business Improvement Areas requires that an Annual Report be submitted to the City Council by the Advisory Board for the BSPBIA. On June 14, 2019, the Advisory Board voted to recommend to the City Council approval of the 2019-2020 BSPBIA Annual Report (Annual Report) (Exhibit A to the Resolution).

The Annual Report describes boundaries, proposed activities, and budgetary information, as well as the method and basis for continuation of the assessment. The 2019-2020 BSPBIA Annual Report proposes no change to the BSPBIA boundaries or the method of levying the assessment and no significant change to proposed activities.

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

Method of Assessment

The estimated 2019-2020 fiscal year revenue from business assessments is \$140,000. Assessments are calculated by category of business and incorporate a base rate plus a per employee rate. Businesses categories and rates are as follows:

CATEGORIES	BASE RATE	EMPLOYEE RATE
Financial Institution	\$1,646.22	\$16.50
Service Real Estate Office	\$638.70	\$22.00
Retail – Restaurant w/alcohol & RTE	\$640.19	\$9.63
Retail – Other	\$548.73	\$8.25
Consulting	\$425.80	\$22.00
Construction Contractor	\$425.80	\$22.00
Insurance Agent Professional	\$425.80	\$22.00
Professional	\$425.80	\$22.00
Service – Other	\$319.35	\$16.50
Misc. Rec/Ent, Vending, Manufacturing,		
Unique & Wholesale	\$319.35	\$16.50
39% Reduced Rate for Service-related Independent Contractors	\$194.80	\$16.50
Non-profits	\$0.00	\$0.00

Each year the City calculates the Consumer Price Index (CPI), an adjustment for consumer goods and services, and applies the CPI to various City fees on July 1st of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The BSPBIA Advisory Board has decided not to request a July 2020 CPI adjustment.

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 September 17, 2019.

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 12, 2019 and by Budget Management Officer Rhutu Amin Gharib on August 14, 2019.

City Council action is requested on September 3, 2019, to set the date of the public hearing for September 17, 2019. The new contract year begins on October 1, 2019.

It is estimated that the BSPBIA will generate \$140,000 in FY 20 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the BSBA through additional fees attached to BSPBIA business licenses and passed directly through to the BSBA for implementation of annual programs. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER