



CITY OF LONG BEACH

C-8

DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard 9th Floor • Long Beach, CA 90802 • (562) 570-6383 • Fax (562) 570-6012

October 18, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution approving the Annual Assessment Report from October 1, 2011 to September 30, 2012 for the Fourth Street Parking and Business Improvement Area, declaring its intention to levy the annual assessment and setting the date of hearing for November 8, 2011. (District 2)

DISCUSSION

The Fourth Street Improvement Association promotes and markets the Fourth Street commercial area using funds generated through the assessment of area businesses located in the Fourth Street Parking and Business Improvement Area (FSPBIA). State law governing Parking and Business Improvement Areas requires that an annual assessment report be submitted to the City Council by the Advisory Commission designated for the Assessment District. On September 6, 2011, the FSPBIA Board voted to recommend to the City Council approval of the FSPBIA Assessment Report (Attachment).

The Assessment Report describes the boundaries, proposed activities and budgetary information, as well as the method and basis for continuation of the assessment. The report proposes no change in the method of levying the assessment and no significant changes to proposed activities.

The recommended Resolution of Intention grants approval of the assessment report, declares the intention of the City Council to levy the assessment for proposed activities and sets the date of a public hearing for November 8, 2011.

This letter was reviewed by Chief Assistant City Attorney Heather Mahood on September 28, 2011 and Director of Financial Management John Gross on September 27, 2011.

TIMING CONSIDERATIONS

City Council action is requested on October 18, 2011, to allow purchase order and contract modifications to be completed so that Fiscal Year 2012 (FY12) assessment transfers may be made as required by the Agreement for Funding with the FSBIA.

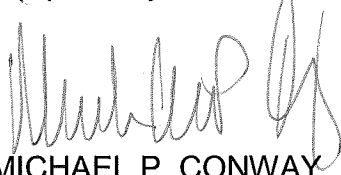
FISCAL IMPACT

It is estimated that the FSPBIA will generate \$10,800 in FY 12 through the proposed continuation of the existing assessment. Assessment funds are collected through additional fees attached to FSPBIA business licenses and passed directly through to the Fourth Street Improvement Association for implementation of annual programs. Sufficient funds are included in the FY 12 Proposed Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Public Works (PW). There is no fiscal impact to the General Fund and no local job impact associated with the recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR
DEPARTMENT OF PUBLIC WORKS

MPC:VRG:jsf
10.18.11 FY12 4th St PBIA ROI v2

Attachments: Fourth Street Parking and Business Improvement Area Annual Report and Service Plan
Resolution of Intention Approving Annual Report and Levy

APPROVED:



PATRICK H. WEST
CITY MANAGER



Fourth Street Parking and Business Improvement Area

**Fiscal Year 2011/12 Assessment
Report and Service Plan**

For the period

October 1, 2011 to September 30, 2012

September 2011



**Fourth Street Parking and Business Improvement Area
2011/12 Assessment Report and Service Plan**

City of Long Beach, California

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I. DISTRICT OVERVIEW

Conceived by a coalition of Fourth Street business owners, the Fourth Street Business Improvement Area (the "FSPBIA" or the "District") is a benefit assessment district formed on September 11, 2007 by Ordinance 07-0043 to attract customers to the Fourth Street shopping area. No changes to the boundaries or assessment methodology are requested for this period.

The purpose of the district is to promote and market the Fourth Street shopping district as a destination through events, clean-ups and advertising. The Fourth Street Improvement Association (the "FSIA") manages the District under contract with the City of Long Beach.

A. Location: Fourth Street between Cherry Avenue and Carroll Park North. See map in Section II.

B. Services: Marketing, promotions and cleanliness programs to improve the appearance and attractiveness of the business district.

C. Method of Assessment: Special benefit assessment for marketing and promotion of businesses operating within the District. The estimated 2012 fiscal year revenue from business assessments is \$10,800.

Each business operating within the District will be assessed \$200 per year with the following exceptions:

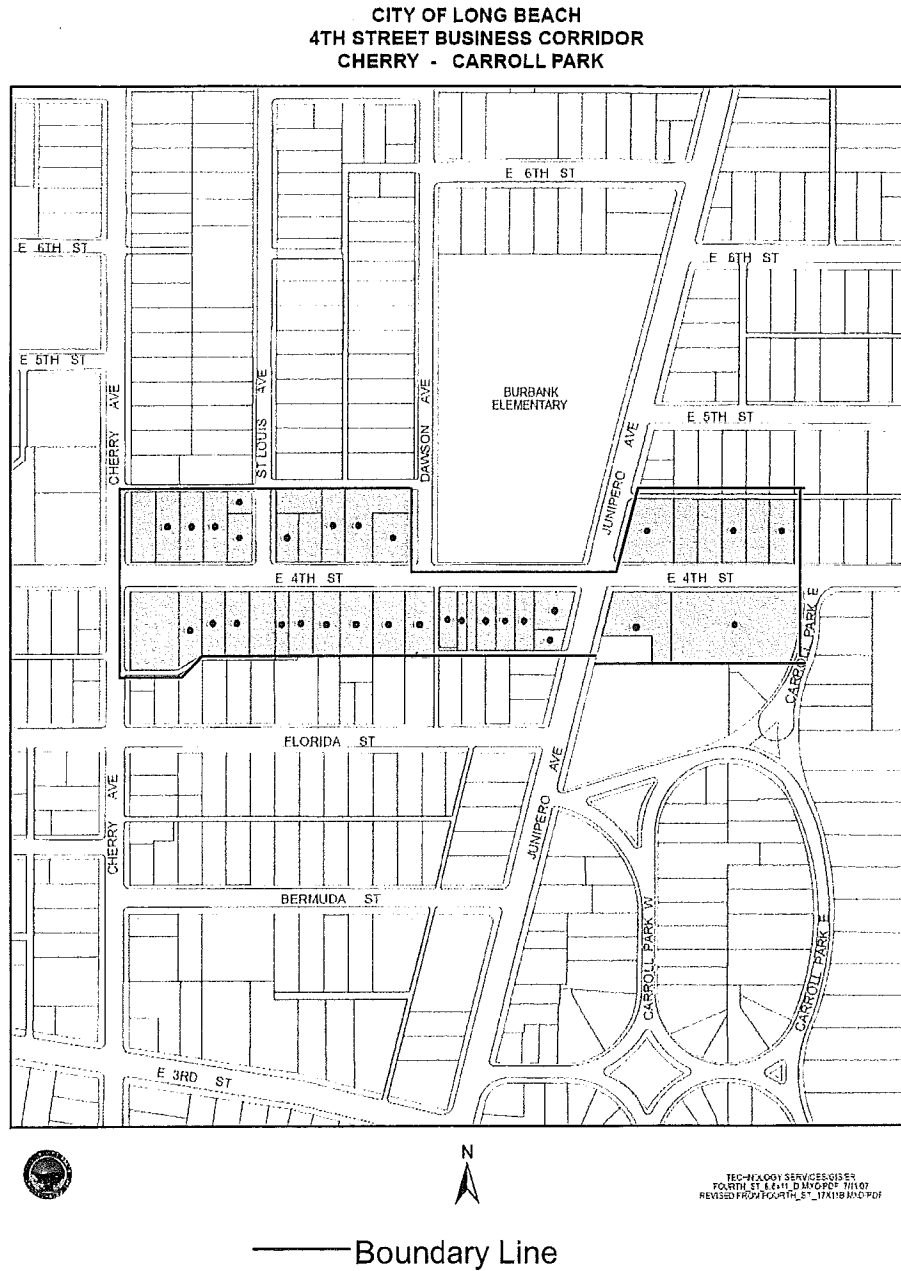
- Each miscellaneous, wholesale, mobile business, contractor, commercial space rental and professional services licensee is assessed \$100 per year
- Each Non profit organization is assessed \$100 per year
- Secondary service operator and residential rental licensees are exempt from the assessment

D. Method of Collection District assessments will be invoiced and due with annual City of Long Beach Business License renewal statements. Assessment revenue received will be segregated into a special fund for transfer to the FSIA.

E. Authority The FSPBIA is a benefit assessment district formed under the authority of the State of California, Streets and Highways Code Part 6 (commencing with Section 36500) of Division 18; the Parking and Business Improvement Area Law of 1989 (the "District Law").

II. Fourth Street Business Improvement Area Boundary

A. District Map – 4th Street; Cherry Avenue to Carroll Park East



B. General Description

The Fourth Street Improvement Association (FSIA) delivers marketing and promotional services within the Fourth Street area with funds received from Fourth Street Parking and Business Improvement Area (FSPBIA) assessments.

C. Board of Directors

Officers

President..... Kerstin Kansteiner, Portfolio Coffeehouse
Vice President..... Kathleen Schaaf, Meow
Secretary..... Barbara Brunner, Elan Collections
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Directors

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III. SERVICE PLAN AND BUDGET

A. The year in review – 2012 planned events

The area along Fourth Street between Cherry Avenue and Carroll Park East offers a truly unique shopping area. This relatively small area is known regionally as well as internationally for its eclectic shops and hip product selection.

Fourth Street businesses continue making strides in promoting the district working together during the second year of the business improvement district, the FSIA has continued with regular meetings, gained the participation of new additional affiliate member businesses and increased the scope and impact of marketing and promotional programs. Programs conducted during 2010 included:

- **Two Sidewalk sales (summer and fall event)**
 - The street held two sidewalk sales with different themes: Summer lemonade theme and Circus theme. Both proved highly successful and attracted visitors from the neighborhood as well as neighboring cities.
- **One Holiday Open House event (December)**
 - The Holiday Open House event started off the shopping season for this district and promoted a shop local, shop independent slogan.
- **Regular street clean-ups (daily and monthly)**
 - The regular sweeping, graffiti reporting and code enforcement efforts are vital to make 4th Street BIA attractive and safe.
- **Maintenance of sprinkler system in “Garden Walk” (Summer)**
 - The Garden walk was planted over 10 years ago with a NPP grant. The 4th Street BIA is maintaining the planter beds and sprinkler system to this day. Greening the area makes the street look more attractive and cared for.
- **4th Street – creation of BFBD**
 - Retro Row became a Bike friendly business district. A BFBD committee was established with business owners to explore the possibilities of becoming more bike friendly.
- **Joint advertising (event driven)**
 - 4th Street placed several ads in local newspapers in order to raise awareness of the BIA.
- **Maintenance and update of 4th Street Retro Row website (monthly)**
 - As print media is fading more and more in the background of our marketing efforts, online presence is where the association will be focusing on in the future.
- **Business outreach committee on 4th Street Retro Row (ongoing)**
 - We have created an outreach committee to welcome new businesses and actively recruit businesses to locate to 4th Street.

Planned FY 2011/12 activities will include:

- **2 Sidewalk sales**
- **“Garden Walk” re-planting effort with draught tolerant plant scheme**
- **Regular update of 4th Street / Retro Row brochure**
- **Joint advertising**
- **2nd annual 4th Street in Motion Street Fair**
- **Regular street cleaning of 4th Street Retro Row**
- **Maintenance of a business outreach committee on Retro Row**
- **Maintenance of Parking Lot at 4th and Cherry lot**
- **Development of a bike friendly business corridor along 4th Street**
- **Joint project with Luther Burbank School to facilitate the expansion of “The Garden of the Mind”**

B. Service Plan

The FSPBIA Service Plan provides for funding for marketing and promoting and maintaining the cleanliness and attractiveness of the shopping area. Although we are a new organization, with relatively few participants, we have amassed a modest budget that will enable us to plan and promote events, as well as contribute to the overall cleanliness of our area.

Services to be provided are:

1. Marketing Media and Materials Amount: \$3600

These services will include the new development and continuous updating of the 4th Street website, as well as print advertising for our special events and general pieces to promote the street. Social media promotion has become a large part of 4th streets marketing efforts. We will strengthen this part of our marketing efforts as well.

2. Promotional Events Amount: \$3800

The largest portion of this budget will go toward the 4th Street in Motion Street Fair event.

3. Streetscape and Cleanliness Amount: \$2900

In an ongoing effort to maintain the cleanliness of our street, we have earmarked funds for streets scaping and cleanliness. One of the major budget items for this year will be for new plantings along the “Garden Walk” and around the tree wells along the street; this will give the street a uniform and clean aesthetic look.

C. Services Budget

Services will be provided based on the following estimated allocation of FSPBIA revenue totaling \$10,800 for FY 2011/12. No Consumer Price Index adjustment is applied to assessment fees for FY 2011/12.

- **2 Sidewalk sales**
- **“Garden Walk” re-planting effort with draught tolerant plant scheme**
- **Regular update of 4th Street / Retro Row brochure**
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Annual Programming

| | |
|--------------------------------|-----------------|
| Marketing | |
| PR services | 800 |
| marketing collateral (ongoing) | 1000 |
| advertising | 800 |
| Sub Total | 3600 |
| promo events | |
| summer street fair | 2800 |
| Sidewalk Sales (2x) | 1000 |
| Sub Total | 3800 |
| streetscaping | |
| landscaping supplies | 2000 |
| sidewalk cleaning | 400 |
| street signage | 500 |
| Sub Total | 2900 |
| Total Programming | 10300 |
| Administration Expenses | |
| accounting | 200 |
| tel/fax | 0 |
| insurance | 200 |
| contingency | 100 |
| Sub Total | 500 |
| Grand Total | \$10,800 |

IV. ASSESSMENTS

A. Methodology

Improvements and activities identified in the Service Plan are designed to improve the appearance of pedestrian areas, improve safety and make the area more attractive to customers. All businesses in the district will benefit from these improvements, but retail, financial, professional and service businesses are expected to benefit more than miscellaneous, wholesale, manufacturing or other

businesses that do not rely upon foot traffic for their business. Therefore, these businesses pay a reduced assessment. The proposed assessment rate for each business operating within the District is shown in the following table.

| Business License Category | Rate |
|---|-------------|
| Financial/Banking & Insurance | \$200 |
| Service Real Estate Offices | 200 |
| Retail – Restaurant w/Alcohol & RTE | 200 |
| Retail – Other | 200 |
| Consulting | 200 |
| Construction Contractor | 200 |
| Professional | 200 |
| Service – Other | 200 |
| Misc. Rec/Ent, Vend, Manf, Uniq, Whlsl, | 100 |
| Commercial space rental | 100 |
| Non-profit business operations | 100 |
| Residential property rental | 0 |
| All Secondary Licensees | 0 |

Estimated FY 2011/ 2012 assessment revenue is \$10,800.

B. CPI Adjustments

The assessment may be increased each year to reflect the annual change in the Consumer Price Index for All Urban Consumers in Los Angeles-Riverside-Orange County. The annual increase shall not exceed three (3%) percent of the previous year's assessment. The annual Consumer Price Index variance will be calculated in March and applied in July of each year. The District will have a fiscal year of October 1 through September 30.

C. Time and Manner for Collecting Assessments

Business operator assessments will be invoiced and due with annual City of Long Beach Business License renewal statements. Assessment revenue received will be segregated into a special fund for transfer to the FSIA.

V. DISTRICT GOVERNANCE

A. The Fourth Street Improvement Association

1. The Fourth Street Improvement Association shall manage the FSPBIA and shall exercise the powers of the Advisory Board set forth in the District Law including the following.

(a) The Advisory Board shall cause to be prepared a report for each fiscal year (October 1 through September 30) for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The report may propose changes, including, but not limited to, the boundaries of the parking and business improvement area or any benefit zones within the area, the basis and method of levying the assessments, and any changes in the classification of businesses, if a classification is used

(b) The report shall be filed with the clerk and shall refer to the parking and business improvement area by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following:

- (1) Any proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area.
- (2) The improvements and activities to be provided for that fiscal year.
- (3) An estimate of the cost of providing the improvements and the activities for that fiscal year.
- (4) The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- (5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- (6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The City Council may approve the report as filed by the Advisory Board or may modify any particular contained in the report and approve it as modified. The City Council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments.

2. The Fourth Street Improvement Association board will serve and the FSPBIA Advisory Board and shall be appointed by the City Council as required by District Law.
3. The FSPBIA Advisory Board shall comply with the Brown Act when discussing or acting on matters within the subject matter of the district (e.g. annual report assessment methodology, boundaries, budget and Service Plan).

B. Disestablishment

According to State law, any district where there is no outstanding indebtedness may be disestablished by resolution of the City Council. This may occur if the City Council finds that funds have been improperly used or if the assesses request disestablishment. There will be a thirty-day window every year beginning on the one-year anniversary of the establishment of the District, in which business owners may petition to disestablish the District. If the assesses who pay 50% or more of the total assessments levied submit a written petition to disestablish the District, the City Council will do so.

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING AN ANNUAL REPORT
5 FOR OCTOBER 1, 2011 TO SEPTEMBER 30, 2012 FOR
6 THE FOURTH STREET PARKING AND BUSINESS
7 IMPROVEMENT AREA ("FSPBIA") AND DECLARING ITS
8 INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR
9 THAT FISCAL YEAR
10

11 WHEREAS, pursuant to Section 36533 of the California Streets and
12 Highways Code, the Fourth Street Parking and Business Improvement Area Advisory
13 Board has caused a Report to be prepared for October 1, 2011 to September 30, 2012
14 relating to the Fourth Street Parking and Business Improvement Area ("FSPBIA") which
15 is located generally in that section of the City of Long Beach generally bounded by
16 Cherry Avenue and Carroll Park North with frontage along Fourth Street and as more
17 specifically described in the Report; and

18 WHEREAS, said Report contains, among other things, with respect to
19 October 1, 2011 to September 30, 2012 all matters required to be included by the above
20 cited Section 36533; and

21 WHEREAS, having approved such Report, the City Council hereby
22 declares its intention to:

23 A. Confirm levy of and direct collecting within the Area, assessments for
24 the FSPBIA for October 1, 2011 to September 30, 2012. Said assessments are
25 proposed to be levied on such classifications and at such rates as are set forth in Exhibit
26 "A" attached hereto and incorporated herein. These assessments are not proposed to be
27 levied on owners of commercial or residential property;

28 B. Provide that each business shall pay the assessment annually, at the

1 same time the business license is due. This is the same collection procedure which
2 occurred in the previous fiscal year; and

3 WHEREAS, to this end, the proposed activities and improvements
4 undertaken by the Area include those generally specified in the establishing Ordinance
5 No. C-6646, Section 5, as adopted by the City Council on September 19, 1989; and

6 WHEREAS, a copy of the Report is on file with the City Clerk and includes
7 a full description of the activities and improvements to be provided from October 1, 2011
8 to September 30, 2012, the boundaries of the area, and the proposed assessments to be
9 levied on the businesses that fiscal year and all other information required by law; and

10 WHEREAS, it is the desire of this City Council to fix a time and place for a
11 public hearing to be held in the City Council Chamber of the City of Long Beach on
12 November 8, 2011 at 5:00 p.m., regarding the Report, the levy and the proposed program
13 for October 1, 2011 to September 30, 2012;

14 NOW THEREFORE, the City Council of the City of Long Beach resolves as
15 follows:

16 Section 1. That certain Report entitled "Assessment Report for
17 October 1, 2011 to September 30, 2012, Fourth Street Parking and Business
18 Improvement Area" as filed with the City Clerk is hereby approved.

19 Section 2. On November 8, 2011 at 5:00 p.m., in City Council Chamber,
20 City Hall, 333 West Ocean Boulevard, Long Beach, California 90802, the City Council of
21 the City of Long Beach will conduct a public hearing on the levy of proposed
22 assessments for October 1, 2011 to September 30, 2012 for the FSPBIA. All concerned
23 persons are invited to attend and be heard, and oral or written protests may be made, in
24 accordance with the following procedures:

25 A. At the public hearing, the City Council shall hear and consider all
26 protests. A protest may be made orally or in writing by any interested person. Any
27 protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and
28 shall clearly set forth the irregularity or defect to which the objection is made.

1 B. Every written protest shall be filed with the City Clerk at or before the
2 time fixed for the public hearing. The City Council may waive any irregularity in the form
3 or content of any written protest and at the public hearing may correct minor defects in the
4 proceedings. A written protest may be withdrawn in writing at any time before the
5 conclusion of the public hearing.

6 C. Each written protest shall contain a description of the business in
7 which the person subscribing the protest is interested sufficient to identify the business
8 and, if a person subscribing is not shown on the official records of the City as the owner of
9 the business, the protest shall contain or be accompanied by written evidence that the
10 person subscribing is the owner of the business. A written protest which does not comply
11 with this section shall not be counted in determining a majority protest.

12 D. Testimony is also invited relating to any perceived irregularities in or
13 protests to previous years' proceedings/assessments.

14 Section 3. The City Clerk shall give notice of the public hearing called for
15 in Section 2 by causing this Resolution of Intention to be published once in a newspaper
16 of general circulation in the City not less than seven days before the public hearing. This
17 resolution shall take effect immediately upon its adoption by the City Council, and the City
18 Clerk shall certify the vote adopting this resolution.

19 Section 4. This resolution shall take effect immediately upon its adoption
20 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
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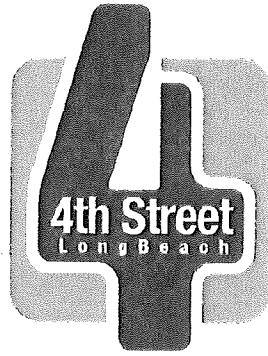
I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2011, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk



Fourth Street Parking and Business Improvement Area

**Fiscal Year 2011/12 Assessment
Report and Service Plan**

For the period

October 1, 2011 to September 30, 2012

September 2011

EXHIBIT A



**Fourth Street Parking and Business Improvement Area
2011/12 Assessment Report and Service Plan**

City of Long Beach, California

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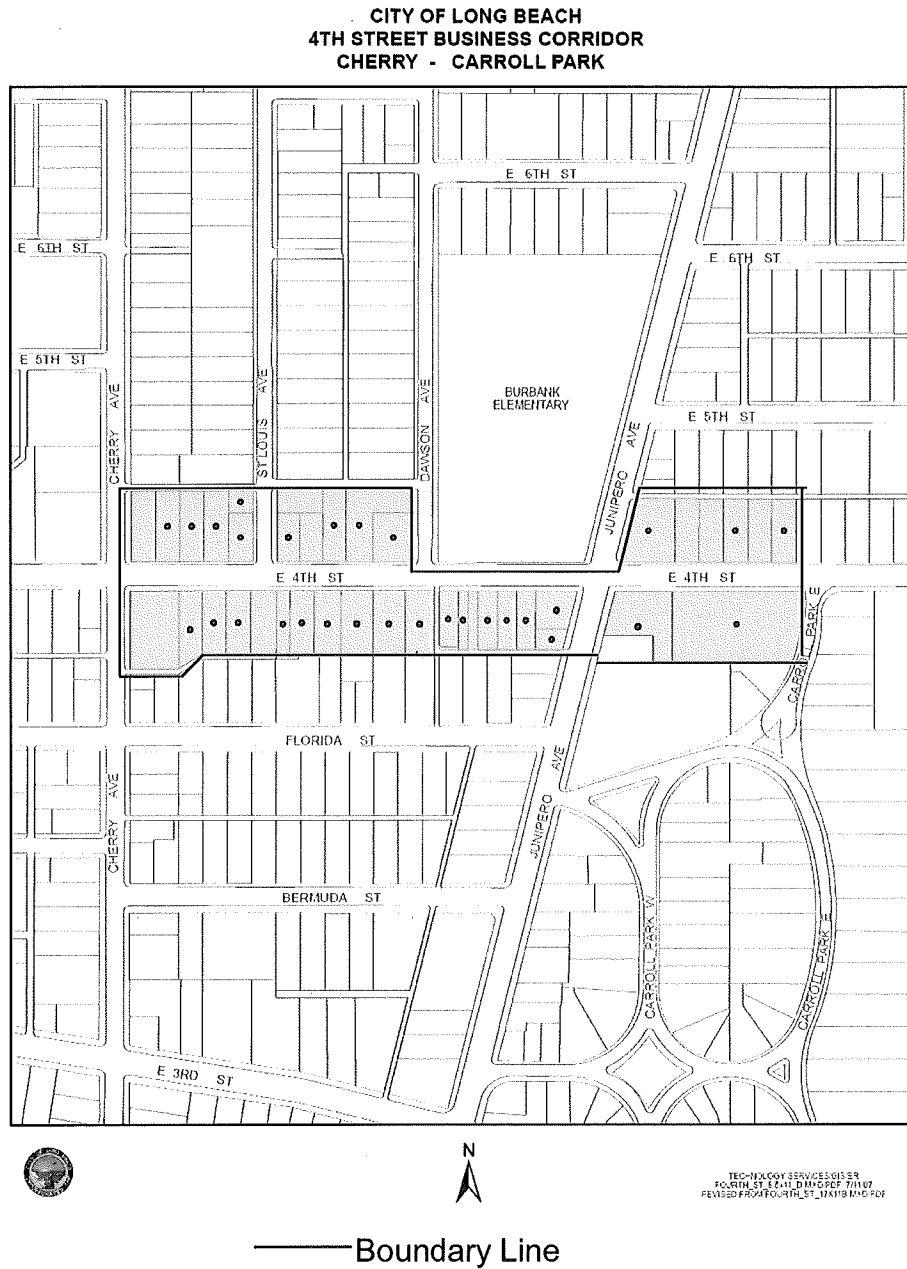
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Annual Programming

| | |
|--------------------------------|-----------------|
| Marketing | |
| PR services | 800 |
| marketing collateral (ongoing) | 1000 |
| advertising | 800 |
| Sub Total | 3600 |
| promo events | |
| summer street fair | 2800 |
| Sidewalk Sales (2x) | 1000 |
| Sub Total | 3800 |
| streetscaping | |
| landscaping supplies | 2000 |
| sidewalk cleaning | 400 |
| street signage | 500 |
| Sub Total | 2900 |
| Total Programming | 10300 |
| Administration Expenses | |
| accounting | 200 |
| tel/fax | 0 |
| insurance | 200 |
| contingency | 100 |
| Sub Total | 500 |
| Grand Total | \$10,800 |

IV. ASSESSMENTS

A. Methodology

Improvements and activities identified in the Service Plan are designed to improve the appearance of pedestrian areas, improve safety and make the area more attractive to customers. All businesses in the district will benefit from these improvements, but retail, financial, professional and service businesses are expected to benefit more than miscellaneous, wholesale, manufacturing or other

businesses that do not rely upon foot traffic for their business. Therefore, these businesses pay a reduced assessment. The proposed assessment rate for each business operating within the District is shown in the following table.

| Business License Category | Rate |
|---|-------------|
| Financial/Banking & Insurance | \$200 |
| Service Real Estate Offices | 200 |
| Retail – Restaurant w/Alcohol & RTE | 200 |
| Retail – Other | 200 |
| Consulting | 200 |
| Construction Contractor | 200 |
| Professional | 200 |
| Service – Other | 200 |
| Misc, Rec/Ent, Vend, Manf, Uniq, Whlsl, | 100 |
| Commercial space rental | 100 |
| Non-profit business operations | 100 |
| Residential property rental | 0 |
| All Secondary Licensees | 0 |

Estimated FY 2011/ 2012 assessment revenue is \$10,800.

B. CPI Adjustments

The assessment may be increased each year to reflect the annual change in the Consumer Price Index for All Urban Consumers in Los Angeles-Riverside-Orange County. The annual increase shall not exceed three (3%) percent of the previous year's assessment. The annual Consumer Price Index variance will be calculated in March and applied in July of each year. The District will have a fiscal year of October 1 through September 30.

C. Time and Manner for Collecting Assessments

Business operator assessments will be invoiced and due with annual City of Long Beach Business License renewal statements. Assessment revenue received will be segregated into a special fund for transfer to the FSIA.

V. DISTRICT GOVERNANCE

A. The Fourth Street Improvement Association

1. The Fourth Street Improvement Association shall manage the FSPBIA and shall exercise the powers of the Advisory Board set forth in the District Law including the following.
 - (a) The Advisory Board shall cause to be prepared a report for each fiscal year (October 1 through September 30) for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The report may propose changes, including, but not limited to, the boundaries of the parking and business improvement area or any benefit zones within the area, the basis and method of levying the assessments, and any changes in the classification of businesses, if a classification is used
 - (b) The report shall be filed with the clerk and shall refer to the parking and business improvement area by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following:
 - (1) Any proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area.
 - (2) The improvements and activities to be provided for that fiscal year.
 - (3) An estimate of the cost of providing the improvements and the activities for that fiscal year.
 - (4) The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
 - (5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
 - (6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.
 - (c) The City Council may approve the report as filed by the Advisory Board or may modify any particular contained in the report and approve it as modified. The City Council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments.

2. The Fourth Street Improvement Association board will serve and the FSPBIA Advisory Board and shall be appointed by the City Council as required by District Law.
3. The FSPBIA Advisory Board shall comply with the Brown Act when discussing or acting on matters within the subject matter of the district (e.g. annual report assessment methodology, boundaries, budget and Service Plan).

B. Disestablishment

According to State law, any district where there is no outstanding indebtedness may be disestablished by resolution of the City Council. This may occur if the City Council finds that funds have been improperly used or if the assesses request disestablishment. There will be a thirty-day window every year beginning on the one-year anniversary of the establishment of the District, in which business owners may petition to disestablish the District. If the assesses who pay 50% or more of the total assessments levied submit a written petition to disestablish the District, the City Council will do so.