

December 8, 2020

H-28

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive supporting documentation into the record, conclude the public hearing, and adopt a Resolution continuing the Fourth Street Parking and Business Improvement Area assessment levy for the period of October 1, 2020 through September 30, 2021; and, authorize the City Manager, or designee, to extend the agreement with the Fourth Street Business Improvement Association for a one-year term. (District 2)

DISCUSSION

The Fourth Street Parking and Business Improvement Area (FSPBIA) was established by the City Council in 2007, allowing for the levy of an annual business license assessment to be paid by businesses located in the FSPBIA. The City of Long Beach (City) contracts with the Fourth Street Business Improvement Association (FSBIA) to manage the FSPBIA and the FSBIA Board of Directors serves as the Advisory Board to the City Council on matters related to the FSPBIA. The FSBIA promotes and markets the FSPBIA using funds generated through the FSPBIA business license assessment.

State law governing Parking and Business Improvement Areas requires that an annual report be submitted to the City Council by the FSBIA Advisory Board. On October 1, 2020, the FSBIA Advisory Board voted to recommend to the City Council approval of the 2020-2021 FSPBIA Annual Report (Annual Report) (Exhibit A to the Resolution), which 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 FSPBIA boundaries or the method of levying the assessment. The FSPBIA Advisory Board has decided to cancel all in-person events until further notice due to the COVID-19 pandemic.

To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment. At its November 17, 2020 meeting, the City Council approved Resolution No. RES-20-0139 granting approval of the Annual Report, declaring its intention to levy the assessment, and setting December 8, 2020 as the date of the public hearing. A hearing notice, including a copy of the Resolution, was published in the local media.

State law provides that the City Council 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. If written protests are received from area business owners representing 50 percent or more of the proposed assessments, the City Council will not levy the assessment. If protests in such quantity are directed against a specific portion of the program, the City Council will eliminate that portion.

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

Method of Assessment

Business License Category	Annual Rate
Financial/Banking and Insurance	\$200
Service: Real Estate Offices	\$200
Retail: Restaurant w/Alcohol and RTE	\$200
Retail: Other	\$200
Consulting	\$200
Construction Contractor	\$200
Professional	\$200
Service: Other	\$200
Misc.: Recreation/Entertainment, Vendors, Manufacturing, Wholesale	\$100
Commercial Space Rental	\$100
Nonprofit Business Operations	\$100
Residential Property Rental	n/a
All Secondary Licensees	n/a

Each year, the City calculates the Consumer Price Index (CPI) 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 FSBI Advisory Board has decided not to request a CPI adjustment for July 2021.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Budget Management Officer Rhutu Amin Gharib on November 11, 2020.

TIMING CONSIDERATIONS

City Council action is requested on December 8, 2020, so that Fiscal Year 2021 (FY 21) assessment transfers may be made as required by the Agreement for Funding with the FSBI.

FISCAL IMPACT

It is estimated that the FSPBIA will generate \$10,000 in FY 21 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the FSPBIA through additional fees and passed directly through to the FSBI 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.

HONORABLE MAYOR AND CITY COUNCIL

December 8, 2020

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

ATTACHMENT: RESOLUTION

APPROVED:



THOMAS B. MODICA
CITY MANAGER

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH CONFIRMING, FOLLOWING
5 HEARING, THE ANNUAL ASSESSMENT REPORT OF THE
6 FOURTH STREET PARKING AND BUSINESS
7 IMPROVEMENT AREA, CONTINUING THE LEVY OF
8 ANNUAL ASSESSMENT AS SET FORTH IN SAID REPORT
9 AND SETTING FORTH OTHER RELATED MATTERS
10

11 WHEREAS, pursuant to Section 36533 of the California Streets and
12 Highways Code, the Fourth Street Business Improvement Association has caused a
13 Report to be prepared for October 1, 2020 through September 30, 2021 relating to the
14 Fourth Street Parking and Business Improvement Area ("FSPBIA"); and

15 WHEREAS, said Report contains, among other things, all matters required
16 to be included by the above cited Section 36533; and

17 WHEREAS, on December 8, 2020 at 5:00 p.m., the City Council conducted
18 a public hearing relating to that Report in accordance with its Resolution of Intention No.
19 RES-20-0139, adopted November 17, 2020, at which public hearing all interested
20 persons were afforded a full opportunity to appear and be heard on all matters relating to
21 the Report; and

22 WHEREAS, a majority protest not having been received, it is the City
23 Council's desire to confirm the Report as originally filed and impose and continue the levy
24 of the Annual Assessment as described in the Report;

25 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
26 follows:

27 Section 1. A public hearing having been conducted on December 8,
28 2020 at 5:00 p.m., and all persons having been afforded an opportunity to appear and be

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Lona Beach, CA 90802

1 heard, the City Council hereby confirms the Report of the Fourth Street Business
2 Improvement Association, previously filed and approved by Resolution No. RES-20-0139,
3 adopted November 17, 2020, as originally filed, and declares that this resolution shall
4 constitute the levy of the Assessment referred to in the Report for October 1, 2020
5 through September 30, 2021, as more specifically set forth in Exhibit "A".

6 Section 2. This resolution shall take effect immediately upon its adoption
7 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted by the City
9 Council of the City of Long Beach at its meeting of _____, 2020,
10 by the following vote:

11
12 Ayes: Councilmembers: _____
13 _____
14 _____
15 _____
16 Noes: Councilmembers: _____
17 _____
18 Absent: Councilmembers: _____
19 _____
20 Recusal(s): Councilmembers: _____
21 _____
22 _____
23 _____
24 _____
25 _____
26 _____
27 _____
28 _____
City Clerk

EXHIBIT “A”



2020 - 2021 Annual Report Fourth Street Parking and Business Improvement Area

SUBMITTED BY FOURTH STREET BUSINESS IMPROVEMENT
ASSOCIATION

OCTOBER 1, 2020

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DISTRICT OVERVIEW

District Background

Colloquially nicknamed “Retro Row,” the area along Fourth Street between Cherry and Temple Avenues is known locally, regionally as well as internationally for its eclectic style and storefronts, independent spirit, retro-inspired mix of shops and services and variety of attractions which can fulfill an entire day and/or evening for any age group. Retro-Row proudly offers shopping including vintage, kitsch, new boutique, designer high-end furniture and fixtures, books, art and music as well as a broad variety of restaurants, coffee shops, vegan ice cream and juice bars, salons and barber shops an independent art house movie theatre, bars and live music!

Conceived by a coalition of Fourth Street business owners, the Fourth Street Parking and Business Improvement Area (FSPBIA) is a benefit assessment district formed on September 11, 2007 by Ordinance 07-0043 to attract customers to the Fourth Street shopping area.

The purpose of FSPBIA is to actively promote and market the Fourth Street shopping district as a destination through events, neighborhood clean-ups, community outreach, and advertising. The Fourth Street Business Improvement Association (FSBIA) manages FSPBIA under contract with the City of Long Beach.

13 years after the inception of the Business Improvement District, the FSPBIA continues to evolve, expanding its already unique mix of shopping, dining, and entertainment experiences. Since the eastward expansion of FSPBIA to Temple Ave in 2015, FSBIA continues to actively solicit the participation of new affiliate member businesses with an eye toward possible westward expansion in the coming years. The Association continues to actively encourage participation of existing members through monthly meetings, bi-monthly events meetings, regular and transparent communications, and improved access to BID resources. Building on the recent successes of hiring our first BID Administrator, City Council approved parking meters and continuous community outreach events, the BID continuously reviews its persona to the physical consumers that visit the area as well as our perception on social media. Using Retro Row’s established reputation for diverse and unique offerings, additional emphasis was being placed on street-wide events and attractions in order to broaden its appeal to a changing consumer demographic, and to creatively manage the ever-increasing effects of online shopping habits on traditional retail sectors.

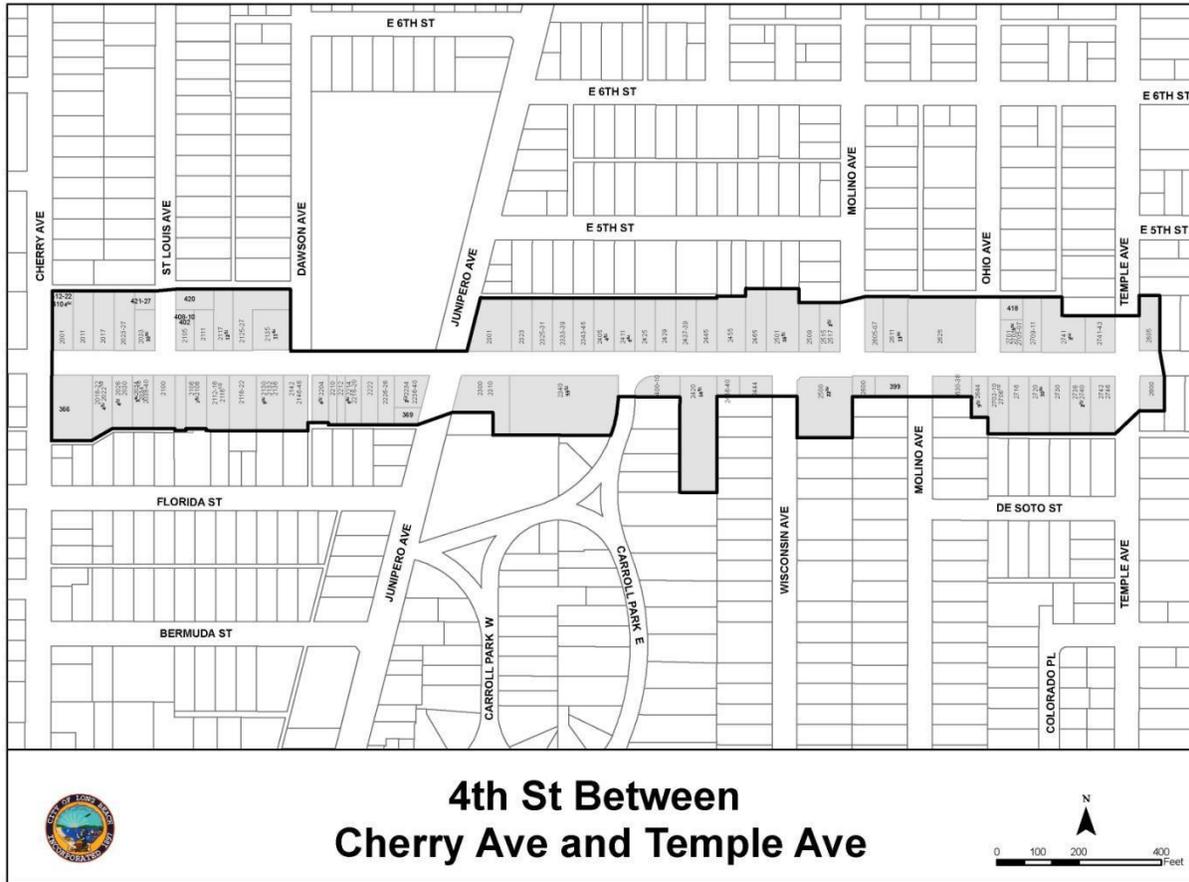
Since the outbreak of COVID-19, the BID has concentrated its efforts on COVID-19 protocols and information management. A large portion of our budget was used on admin services to keep our stakeholders informed and up to date with the status of protocols, available grants, and necessary changes

Since the development and lease of the parking lot on the Southeast corner of the intersection of 4th St and Cherry we have established a dependable recurring source of income which is used to meet our marketing and event goals. We recently contracted a company to monitor the parking lot and are anticipating an increase in revenue.

COVID-19 has forced many of our businesses to close or operate under a limited scope. The BID has applied for additional outdoor sidewalk space to allow for expanded services.

Fourth Street Parking and Business Improvement Area Boundary

Fourth Street between Cherry Avenue and Temple Avenue East.



Proposed Changes

The Fourth Street Business Improvement Association Board of Directors proposes no changes to the district boundary for 2020-2021

District Advisory Board

Directors

President	Jennifer Hill, Songbird
Vice President	Sophia Sandoval, 4th Street Vine
Treasurer	Kathleen Shaaf, Meow

Officers

Dan Rossiter, Old Gold
Kerstin Kansteiner, Portfolio Coffeehouse
Ty Ward, Native Sol

Monthly Board Meetings

First Tuesday of each month via Zoom

Monthly General Meetings

Second Tuesday Via Zoom

District Personnel

Sierra Crabtree, BID Administrator. Sierra is responsible for attending all meetings and taking minutes, creating, and sending out all meeting agendas and reminders and any other administrative support that the BID needs.

METHOD OF ASSESSMENT

Assessments are calculated as follows:

Business License Category	Annual 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
Miscellaneous: Rec/Ent, Vend, Manf, Uniq, Whlsl,	\$100
Commercial Space Rental	\$100
Non-profit Business Operations	\$100
Residential Property Rental	n/a
All Secondary Licensees	n/a

Proposed Changes

The Fourth Street Business Improvement Association Board of Directors proposes no changes to the method and basis of levying the assessment.

Consumer Price Index Adjustment

The Fourth Street Business Improvement Association Board of Directors is not requesting a Consumer Price Index adjustment for the 2020-2021 contract year.

BUDGET

Projected Budget

INCOME

Annual Assessment Revenue	\$10,000.00
Associate Member Dues	\$400.00
4 th and Cherry Parking Lot	\$55,000.00
4 th Street Parking Meters	\$9,600.00
CARES Act Funding	\$78,000.00
TOTAL INCOME	\$153,000.00

EXPENSES

Marketing

Social Media Management	\$24,000
<i>Sub Total</i>	<i>\$24,000</i>

Events

Online Events	\$22,380.00
<i>Sub Total</i>	<i>\$22,380.00</i>

Maintenance & Beautification

Maintenance & Upkeep– Gardeners	\$3,720.00
Misc / Maintenance	\$900.00
Trash Pickup/ New Trash Cans	\$500.00
<i>Sub Total</i>	<i>\$5,120.00</i>

Management Expenses

Rent for Parking Lot	\$24,000.00
Insurance / Tax Prep	\$3,000.00
4th Street BID Administrator Salary	\$18,300.00
Garage Rent	\$2,100.00
COVID-19 small business recovery grant	\$54,100.00

Sub Total *\$101,500.00*

TOTAL EXPENSES **\$ 153,000.00**

Surplus or Deficit Carryover

The surplus funds from prior years are from non-assessment revenue.

Contributions from Other Sources

- | | |
|--|-------------|
| • Associate Member Dues | \$400.00 |
| • 4 th and Cherry Parking Lot | \$55,000.00 |
| • 4 th Street Parking Meters | \$9,600.00 |
| • CARES Act funding | \$78,000.00 |

FOURTH STREET BUSINESS IMPROVEMENT ASSOCIATION PROGRAM

2020-2021 Program

Marketing

The Fourth Street Business Improvement Association has retained the services of Curated media services to manage all social media content, updates, and postings for the 4th Street Instagram, Facebook, and Twitter platforms to promote Retro Row and its affiliated merchants in conjunction with existing marketing and advertising efforts. In addition, the Board has budgeted an additional amount of approximately \$500.00 per month for social media and print media targeted advertising and promotion.

Events

Due to the Pandemic, all events after March 15, 2020 have been cancelled until further notice.

Maintenance & Beautification

Continued dedicated funding retaining the monthly services of a landscaping company to maintain the parking lot at the corner of 4th and Cherry, and the Garden Walk alongside Burbank Elementary School. Additionally, we will be purchasing trash receptacles as well as hiring a waste management firm to empty them on a regular basis. During the pandemic, the BID has focused on clean-ups, maintenance, homeless encampment clean up and abandoned storefronts. The contracted 4th Street handyman service has been given expanded services to maintain cleanliness along the business corridor.

Management

Aside from ongoing insurance and accounting service expenses, the Association has created a dedicated administrative position to take and post monthly meeting notes, maintain and update email contact lists, research and submit grants and sponsorships, and perform basic website maintenance updates for a \$1,200 monthly fee. This portion of our budget is also utilized for the lease expense of the 4th and Cherry parking lot, tax and insurance preparation, and the rental of a utility storage space on 4th St. Also, we have recently contracted an outside company to patrol the parking lot on 4th and Cherry which will ensure that our income for the parking lot remains consistent.

The FSPBIA Service Plan Budget provides for funding for marketing, promoting, and maintaining the cleanliness and attractiveness of the 4th Street district. Although a relatively small district with a relatively small number of participants, the Association continues to aggressively and creatively manage a modest budget to facilitate and promote events, as well as to maintain the overall cleanliness and “curb appeal” of the Retro Row corridor. Effective January 2016, the FSPBIA became the official lessee of the parking lot at the corner of 4th and Cherry, which was previously

managed directly by the City of Long Beach. The installation of a new parking meter in combination with adjusted parking rates have resulted in additional monthly revenue for the BID.