



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

R-38

August 22, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution approving the Annual Assessment Report from October 1, 2006 to September 30, 2007 for the Bixby Knolls Parking and Business Improvement Area, decreasing the assessment rate for service-related retail businesses, declaring its intention to levy the annual assessment and setting the date of hearing for September 12, 2006. (Districts 7 and 8)

DISCUSSION

The Bixby Knolls Business Improvement Association promotes and markets the Bixby Knolls commercial area using funds generated through the assessment of area businesses located in the Bixby Knolls Parking and Business Improvement Area (BKPBA). State law governing Parking and Business Improvement Areas require that an annual assessment report be submitted to the City Council by the Advisory Commission designated for the Assessment District. On July 27, 2006, the BKPBA Advisory Commission voted to recommend to the City Council approval of the BKPBA Assessment Report (Attachment A).

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 proposed activities. However, the BKPBA Advisory Commission recommends a 39 percent decrease in assessment rate for retail service independent contractors operating secondary to another service business and located at the same address. This change is consistent with the City of Long Beach Business License tax and other business improvement districts in the City of Long Beach.

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 September 12, 2006.

This letter was reviewed by Assistant City Attorney Heather Mahood on July 21, 2006, Budget Management Officer David Wodynski on August 15, 2006, and the City Treasurer's Office on August 8, 2006.

TIMING CONSIDERATIONS

City Council action is requested on August 22, 2006, to set the date for the public hearing near the start of the contract year, which begins on October 1, 2006.

FISCAL IMPACT

It is estimated that the BKPBIA will generate \$155,000 in Fiscal Year 2007 (FY 07) through the proposed continuation of the existing assessment. While this amount is an increase from FY 2006, the increase is less than it would have been without the rate decrease for independent contractors. Assessment funds are collected through additional fees attached to BKPBIA business licenses and passed directly through to the Bixby Knolls Business Association for implementation of annual programs. The \$155,000 in revenue is included in the FY 07 Proposed Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Community Development (CD). There is no fiscal impact to the General Fund.

SUGGESTED ACTION:

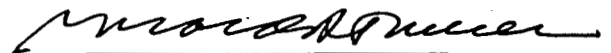
Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

RH:tb

Attachments: Attachment A - Bixby Knolls Business Improvement Association Annual Report
Resolution of Intention Approving Annual Report and Levy