



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

**C-9**

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

May 23, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt the attached Resolution of Intention modifying the Downtown Long Beach Parking and Business Improvement Area assessment rate for service-related retail businesses, setting the date of June 13, 2006 for a public hearing, authorizing the City Manager to initiate majority protest proceedings and authorizing the City Clerk to receive written protests. (Districts 1 and 2)

## DISCUSSION

Downtown Long Beach Associates (DLBA) uses business license assessment funds to promote and market downtown Long Beach on behalf of businesses located in the Downtown Long Beach Parking and Business Improvement Area (DLBPBIA). The DLBA manages funds to be collected to accomplish promotional activities and other services.

On February 15, 2006 the DLBPBIA Board of Directors approved a reduction in the DLBPBIA assessment rate for selected businesses. This change also must be approved by the City Council. The proposed change allows a 39 percent discount for independent contractor licensees engaged in business secondary to another service business such as a real estate office or salon. This change will modify the DLBPBIA assessment structure to match the discount provided by the City of Long Beach Business License Division for secondary licensees as defined in Section 3.80.243 of the Municipal Code.

The attached resolution of intention sets a hearing date of June 13, 2006 to hear any protests to the proposed DLBA assessment change. A notice of hearing that includes the text of the resolution will be published in a newspaper of general circulation not less than ten days before the public hearing. A complete copy of the Resolution shall also be mailed to the owner of each business within the district. At the hearing, if 50 percent or more of the district's business owners object to the proposed change, the rate change will fail. If a majority does not object, the City Council may approve the new rate by adopting a resolution to that effect.

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This letter was reviewed by Assistant City Attorney Heather Mahood on May 2, 2006, Budget Management Officer David Wodynski on May 11, 2006, and the City Treasurer's Office on May 8, 2006.

TIMING CONSIDERATIONS

The DLBPBIA assessment fee adjusts on July 1 each year. The modified rate specified in this action is based on the current assessment rate. In order to implement this change prior to July 1, approval of the attached resolution setting a hearing date for June 13, 2006 is required on May 23, 2006.

FISCAL IMPACT

This reduction in assessment fees charged to secondary licensees will reduce DLBA assessment revenue in future years. The amount of reduction will be based on the number of secondary licensees within the district. The estimated first year revenue reduction is approximately \$5,000. This reduction will be factored into the association's Fiscal Year 2007 Budget. There will be no impact on the General Fund.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST  
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER  
CITY MANAGER

PHW:RS:tb

Attachment: Resolution of Intention to Modify the Assessments for the Downtown Parking and Business Improvement Area