



Memorandum

To: Mayor and City Council

April 7, 2009

From: Suja Lowenthal, Second District 

Subject: Downtown Long Beach Associates (DLBA) DPBIA Assessment

REQUESTED ACTION:

Respectfully request approval of the Downtown Parking and Business Improvement Area request by the Board of Directors of the Downtown Long Beach Associates (DLBA) to forego the scheduled July 1, 2009, Consumer Price Index increase in business license assessment rates.

BACKGROUND:

Downtown Long Beach Associates has three routine sources of revenue that pass through the City to the organization. They are: business operator assessments, property owner assessments and downtown parking meter revenue sharing. This action relates to business operator self-assessment funds used to promote and market downtown Long Beach on behalf of businesses located in the Downtown Parking and Business Improvement Area (DPBIA). The City Council approves the property owner assessment separately.

DPBIA assessments are a self-assessment approved by the businesses operating in the area. Assessments are collected through the business license billing system by Financial Management and returned to the district through payments made under Contract 28604 with Downtown Long Beach Associates, which administers the DPBIA.

The DPBIA establishing ordinance (ORD `06-0022) provides for an automatic annual increase in the assessment rate applied to businesses operating in the area. This increase is based on the Consumer Price Index (CPI) for Los Angeles County and is applied each July 1. Due to weak economic business conditions, the DLBA board voted unanimously on March 18, 2009, to forego the business license assessment rate increase scheduled for July 1, 2009. This is the second consecutive year the DLBA board has voted to freeze business license self-assessment rates.

City Council approval of this request will forego only the 2009 CPI increase in business operator self-assessment. Unless additional action is taken by City Council, CPI adjustments will resume in 2010 as described in section 4 C of the contract. There is no cost to the City associated with this action and no impact on the General Fund.