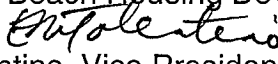


## M E M O R A N D U M

**DATE:** May 16, 2012

**TO:** Board of Directors  
The Long Beach Housing Development Company

**FROM:**   
Ellie Tolentino, Vice President

**SUBJECT:** Participation in the Downtown Long Beach Property-Based Business Improvement District

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### RECOMMENDATION

Support the re-establishment of the Downtown Long Beach Property-Based Business Improvement District and authorize the President or designee to sign the petition, vote in the affirmative during the subsequent mailed ballot process, and pay corresponding assessment, if and when the District is re-established.

### BACKGROUND

The LBHDC owns a 3,750 sq. ft. property located on the north side of 4<sup>th</sup> Street between Elm and Linden Avenues, within the boundaries of the Downtown Long Beach Property-Based Business Improvement District (DLB-PBID). Attached is a site map. In FY 2011, the property was assessed approximately \$375 under the current DLB-PBID.

The State of California Property and Business Improvement District Law of 1994 (Section 33600 et seq. of the California Streets and Highways Code) and Article XIIID of the California Constitution (Proposition 218) enable and regulate the establishment process and requirements for the City to create a property-based assessment district allowing property owners to voluntarily assess themselves for various services beyond those provided by the City, including enhanced maintenance, public safety, beautification, marketing and economic development programs.

The DLB-PBID was initially established by the City Council on August 4, 1998. On January 12, 2001, the City Council executed an Agreement for Funding (Contract) with the Downtown Long Beach Associates (DLBA) setting forth the duties of the parties under an annual Budget and Management Plan with respect to the use of property owner assessment funds within the DLB-PBID area (District). On July 22, 2003, the City Council re-established the DLB-PBID for a term of 10 years. The current

DLBA-PBID contract terminates on December 31, 2013, and downtown property owners are now seeking to re-establish the DLB-PBID for an additional 10-year term.

Re-establishment of the DLB-PBID is accomplished through a majority vote of the property owners in favor of the proposed assessment for the new term. Pursuant to the California Constitution, the vote on a proposed special assessment must be weighted according to the proportional financial obligation of the affected properties. The assessment is based upon the special benefits each individual parcel receives as determined by an independent Engineer's Report prepared pursuant to State law. In order for the DLB-PBID to be re-established and the Contract renewed, petitions must first be signed by property owners within the District boundaries who will pay more than 50 percent (based on assessment value) of the proposed assessments. These petitions have been delivered to each individual parcel owner within the District, including the LBHDC. A copy of the petition and other DLB-PBID information materials are attached.

The Board's action to authorize the President's signature on the petition in favor of the DLB-PBID's re-establishment will contribute toward the more than 50 percent support needed to proceed with the re-establishment process. The LBHDC's anticipated assessment amount in the first year of the newly reauthorized district is estimated to be \$400.92, which represents .017 percent of total assessments.

ET

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Attachments

- Site Map
- Petition Form and Other DLB-PBID Materials