



Legislation Text

File #: 15-0484, **Version:** 1

Recommendation to authorize City Manager to sign the petition, and subsequent ballot, relating to City-owned properties located within the boundaries of the proposed Midtown Business Improvement District. (District 6)

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 XIID of the California Constitution (Proposition 218) enables 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.

Property owners of record along Anaheim Street, between Raymond Avenue and Alamitos Avenue, are circulating a petition to initiate special assessment proceedings to form a property and business improvement district, to be known as the Midtown Business Improvement District (MBID). Upon the submission of a written petition signed by the property owners in the proposed district who pay more than 50 percent of the assessments proposed to be levied, the City Council may initiate proceedings to form the district by the adoption of a Resolution of Intention (ROI) to establish the district, and to set public hearings and issue ballots to each individual parcel owner. As a part of this effort, the City has been requested to sign the petition for the parcels owned by the City of Long Beach located within the proposed MBID boundaries.

The attached MBID Management District Plan (MDP) details the boundaries of the MBID, the amount and method of assessment for each parcel, and the improvements and activities for which the assessment funds will be used.

If established, the MBID shall commence on January 1, 2016, for an initial 5-year period from January 1, 2016 through December 31, 2020, and the City Council will annually review and consider approving renewal of the levy, budgets and reports as submitted by the MBID. The assessment methodology is projected to generate approximately \$161,501 in revenue during the first year. Property owned by the City of Long Beach will be assessed \$19,125; property owned by the Successor Agency will be assessed \$6,631 and property owned by Long Beach Transit will be assessed \$39,949. A map of the proposed MBID, and detail of the City's parcels and assessments is attached.

The MDP proposes that the Midtown Owners Association (MOA) would govern the MBID, and shall serve as the Owners' Association per the California Streets and Highways Code Section 36651. The MOA Board of Directors will be comprised of a majority of parcel owners

paying the assessment who are required to adhere to the Ralph M. Brown Act. Pursuant to the Streets and Highways Code, Section 36650, the MOA will also provide to the City an annual report. The City would pay its assessment as a Parcel Owner for the duration of the MBID.

This matter was reviewed by Deputy City Attorney Amy R. Webber on May 8, 2015 and by Budget Management Officer Victoria Bell on May 12, 2015.

Formation of the MBID is projected to be completed by late July so that submission to the County Assessor's Office for FY 2016 can be accomplished prior to the August 6, 2015 County Assessor deadline. City Council approval to sign the petition is requested on June 2, 2015 in order to allow completion of the process to establish the district within the time frame allowed.

If the MBID is approved and established, the annual General Fund (GF) cost of \$14,490 for Parks, Recreation and Marine (PRM), and \$4,635 for the Library is unbudgeted. The proposed assessment for all Successor Agency-owned parcels in the MBID is estimated at \$6,631 annually. Upon annual review, the City Council can increase the levy up to 4 percent.

Approve recommendation.

MICHAEL P. CONWAY, DIRECTOR
DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER