



Legislation Text

File #: 17-1152, **Version:** 1

Recommendation to approve the Uptown Property and Business Improvement District Annual Report and Assessment for the period of January 1, 2018 through December 31, 2018, automatically extending the current agreement with the Uptown Property and Community Association for a one-year period; and, authorize payment of \$54,562 in City property assessments from the General Fund (GF) and \$3,668 in City property assessments from the Successor Agency Fund (SA 270). (Districts 8,9)

Pursuant to the Property and Business Improvement Law of 1994 (Law), the Uptown Property and Business Improvement District (UPBID) was established by the City Council in 2013 for a five-year period. Under the Law, Uptown Property and Community Association (UPCA) property owners assess themselves an additional fee to pay for various services beyond those provided by the City, including enhanced maintenance, public safety, beautification, marketing, and economic development programs.

The Law requires that the UPCA Advisory Board approve and file an Annual Report describing their projected budget and expenditures. The Fiscal Year 18 (FY 18) Annual Report is attached for City Council approval. The levy of assessment will cover the period of January 1, 2018 through December 31, 2018. There are no changes proposed to the boundaries, benefit zones, or the assessment methodology of the UPBID.

The Board-approved UPBID rate of assessment is based on parcel size and use, as shown in Section 6 of the attached Annual Report. The UPBID Management Plan allows up to a 4 percent per year cost-of-living increase in the assessment rate. For FY 18, the UPBID Board voted to maintain the assessment at the same rate as FY 17.

Method of Assessment

The UPBID assessment area contains properties owned by private commercial owners and the City of Long Beach. In FY 18, properties over 20,000 square feet up to 100,000 square feet are assessed an annual amount of \$0.09 per square foot. Properties less than 20,000 square feet will be assessed at a rate no greater than \$0.08 per square foot. Properties larger than 100,000 square feet will be assessed an annual amount of \$0.10 for each square foot.

The total property assessment to be collected by the City and paid to the UPCA for the period of January 1, 2018 through December 31, 2018 is estimated at \$180,772. A portion of the proposed assessment is attributable to City-owned parcels and will be paid from the City's General Fund. The total proposed FY 18 assessment for the parcels owned by the City is \$54,562.

The Successor Agency will pay its assessment as a Parcel Owner until the Successor Agency parcels located within the UPBID boundaries are transferred. The total proposed FY 18 assessment for parcels owned by the Successor Agency is \$3,668.

The table below shows the assessment rates effective for FY 18. The rates have not changed since the formation of the UPBID.

Parcel Land Use Type	Assessment Rate per Lot Sq. Ft
Large Parcels with Commercial uses >100,000 sq. ft.	\$0.1000
Medium Parcels with Commercial uses 20,000 to 100,000 sq. ft.	0.0900
Small Parcels with Commercial uses <20,000 square feet	0.0800
Parcels with Apartments	0.0350
Parcels with Parks	0.0200
Parcels occupied by Educational Institutions	0.0050
Parcels with Mobile Homes	0.0010
Parcels with Residential uses	Not Assessed

The Law also allows the City to contract with service providers to carry out the UPBID programs. Since 2013, the City has contracted with UPCA to carry out the UPBID programs. The current agreement provides that the term be automatically extended on a year-to-year basis upon City Council approval of the Assessment Report (included in the Annual Report) and related levy of assessments.

This matter was reviewed by Deputy City Attorney Amy R. Webber on November 29, 2017 and by Budget Analysis Officer Julissa José-Murray on December 1, 2017.

The UPCA 2017 contract ends on December 31, 2017. City Council approval of the Annual Report and assessment is requested on December 19, 2017, to continue the assessment and extend the contract for another year.

It is estimated that the UPBID will generate \$180,772 in FY 18 through the proposed assessment. Assessment funds are passed directly through to the UPCA for implementation of annual programs.

The estimated revenue includes a FY 18 assessment of \$54,562 for City-owned parcels within the UPBID boundaries to be paid from the General Fund (GF). Of that amount, \$23,340 is budgeted in the Economic Development Department (ED), \$22,782 in the Parks, Recreation and Marine Department (PR), \$4,807 in the Fire Department (FD), and \$3,633 in the Library Services

Department (LS). The estimated UPBID revenue also includes a FY 18 assessment of \$3,668 to be paid by the Successor Agency Fund (SA 270), which is budgeted in the Development Services Department (DV). Approval of this recommendation will provide continued support to the local economy.

Approve recommendation.

JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER