



## Legislation Text

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**File #:** 18-0793, **Version:** 1

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Recommendation to adopt resolution approving the Annual Report for October 1, 2018 to September 30, 2019, for the Fourth Street Parking and Business Improvement Area, declaring its intention to levy the annual assessment, and setting the date of hearing for Tuesday, October 9, 2018. (District 2)

The Fourth Street Business Improvement Association (FSBIA) promotes and markets the Fourth Street commercial area using funds generated through the assessment of area businesses located in the Fourth Street Parking and Business Improvement Area (FSPBIA). State law governing Parking and Business Improvement Areas requires that an Annual Report be submitted to the City Council by the Advisory Board designated for the Assessment District. On August 10, 2018, the FSPBIA Advisory Board voted to recommend to the City Council approval of the FSPBIA Annual Report (Exhibit A to the Resolution).

The Annual Report describes boundaries, proposed activities, and budgetary information, as well as the method and basis for continuation of the assessment. The Annual Report proposes no significant change to the District boundaries, the method of levying the assessment, or to the proposed activities.

The Fiscal Year 2019 (FY 19) Annual Report, transmitting the recommendations of the Advisory Board, proposes the following assessment rates:

### Method of Assessment

The estimated FY 19 revenue from business assessments is \$17,500. Assessments are calculated based upon an annual rate categorized by business license category. Businesses categories and rates are as follows:

<b>Business License Category</b>	<b>Annual Rate</b>
Financial/Banking & Insurance	\$200
Service: Real Estate Offices	\$200
Retail: Restaurant w/Alcohol & RTE	\$200
Retail: Other	\$200
Consulting	\$200
Construction Contractor	\$200
<b>Business License Category</b>	<b>Annual Rate</b>

Professional	\$200
Service: Other	\$200
Miscellaneous: Rec/Ent, Vendors, Manufacturing, Unique, Wholesale,	\$100
Commercial Space Rental	\$100
Non-profit Business Operations	\$100
Residential Property Rental	n/a
All Secondary Licensees	n/a

The City enters into agreements with business and/or property owner associations (associations), which utilize assessment revenues to provide services and improvements in Business Improvement District (BID) areas, that set forth the parameters and requirements of the relationship between the associations and the City. These agreements include requirements such as annual reporting requirements, deadlines, and payment schedules. These agreements are renewed annually based on the City Council's approvals of annual reports. Per the City Auditor's recommendation in the BID Oversight Audit, the City will re-execute the agreement with FSBIA to reflect current procedures and other changes deemed necessary. The agreement will be periodically revisited as processes and requirements change to ensure it stays current and relevant.

The recommended Resolution grants approval of the Annual Report, declares the intention of the City Council to levy the assessment for proposed activities, and sets the date of the public hearing for October 9, 2018.

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 20, 2018 and by Budget Analysis Officer Julissa José-Murray on August 23, 2018.

City Council action is requested on September 11, 2018, to set the date of the public hearing for October 9, 2018. The new contract year begins on October 1, 2018.

It is estimated that the FSPBIA will generate \$17,500 in FY 19 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the FSPBIA through additional fees attached to FSPBIA business licenses and passed directly through to the FSBIA for implementation of annual programs. There is no local job impact associated with this recommendation.

Approve recommendation.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING AN ANNUAL ASSESSMENT REPORT FOR OCTOBER 1, 2018 TO SEPTEMBER 30, 2019 FOR THE FOURTH STREET PARKING AND BUSINESS IMPROVEMENT AREA AND DECLARING ITS INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THAT FISCAL**

YEAR

JOHN KEISLER  
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST  
CITY MANAGER