



Legislation Text

File #: 15-1037, **Version:** 1

Recommendation to receive supporting documentation into the record, conclude the hearing, and adopt resolution continuing the East Anaheim Street Parking and Business Improvement Area assessment for the period of October 1, 2015 through September 30, 2016; and authorize City Manager to extend the agreement with the East Anaheim Street Business Alliance for a one-year term. (Districts 3,4)

The East Anaheim Street Business Alliance (Alliance) uses business license assessment funds to promote and market the commercial area along East Anaheim Street on behalf of businesses located in the East Anaheim Street Parking and Business Improvement Area (EASPBA). The Alliance governs the assessment to be collected. To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment.

The Annual Report (attached to the Resolution as Exhibit A) describes boundaries, proposed activities and budgetary information, as well as the method and basis for continuation of the assessment. The Annual Report proposes no change in the district boundaries, the basis and method of levying the assessment and no significant change in proposed activities. A copy of the Annual Report describing proposed activities and allocations is attached.

At its September 15, 2015 meeting, City Council approved Resolution Number RES-15-0115, granting approval of the Annual Report, declaring the intention of the City Council to levy the assessment, and set October 13, 2015 as the date of the public hearing. A hearing notice was published in local media.

State law provides that the City Council shall hear and consider all protests against the assessment, program, boundaries of the area, and/or any benefit zone as proposed in the Annual Report. State law further provides that protests may be made orally or in writing. Protests regarding the regularity or sufficiency of the proceedings shall be in writing. If written protests are received from area business owners representing 50 percent or more of the proposed assessments, the City Council shall not levy the assessment. If protests in such quantity are directed against a specific portion of the program, the City Council shall eliminate that portion.

The Fiscal Year 2016 Annual Report, transmitting the recommendations of the EASPBA Advisory Board, proposes the following assessment rates:

Type 1 Businesses: Retail, recreation and entertainment, and unique businesses shall pay

annual assessment fees of:

- Base Fee: \$300 per year except that secondary licensees in these classes are exempt, and;
- Employee Fee: \$15 per employee up to \$300 maximum.

Type 2 Businesses: Service, vending, professional, wholesale, contractor, manufacturing and miscellaneous mobile businesses shall pay annual assessment fees of:

- Base Fee: \$200 per year except that secondary licensees in these classes shall pay a base fee of \$120, and;
- Employee Fee: \$15 per employee up to \$300 maximum

Type 3 Businesses: Non-residential space rental businesses shall pay annual assessment fees of:

- Base Fee: \$120 per year
- Employee Fee: not applicable

Residential property rental, home-based and secondary licensees are exempt from the assessment.

This matter was reviewed by Deputy City Attorney Amy Webber on September 17, 2015 and by Budget Management Officer Victoria Bell on September 21, 2015.

City Council action is requested on October 13, 2015 to allow purchase order and contract modifications to be completed so that Fiscal Year 2016 (FY 16) assessment transfers may be made as required by the Agreement for Funding with the Alliance.

It is estimated that the EASPBIA will generate \$145,500 in FY 16 through continuation of the existing assessment. Assessment funds are collected through additional fees attached to EASPBIA business licenses and passed directly through to the East Anaheim Street Business Alliance for implementation of their annual programs. Sufficient funds are included in the FY 16 Budget in the Parking and Business Area Improvement Fund (SR 132) in the Department of Economic and Property Development (EP). Approval of this recommendation will provide continued support to the local economy.

Approve recommendation.

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

APPROVED:

PATRICK H. WEST
CITY MANAGER