



Legislation Text

File #: 20-1177, **Version:** 1

Recommendation to receive supporting documentation into the record, conclude the public hearing, adopt resolution continuing the Fourth Street Parking and Business Improvement Area assessment levy for the period of October 1, 2020 through September 30, 2021; and authorize City Manager, or designee, to extend the agreement with the Fourth Street Business Improvement Association for a one-year term. (District 2)

The Fourth Street Parking and Business Improvement Area (FSPBIA) was established by the City Council in 2007, allowing for the levy of an annual business license assessment to be paid by businesses located in the FSPBIA. The City of Long Beach (City) contracts with the Fourth Street Business Improvement Association (FSBIA) to manage the FSPBIA and the FSBIA Board of Directors serves as the Advisory Board to the City Council on matters related to the FSPBIA. The FSBIA promotes and markets the FSPBIA using funds generated through the FSPBIA business license assessment.

State law governing Parking and Business Improvement Areas requires that an annual report be submitted to the City Council by the FSBIA Advisory Board. On October 1, 2020, the FSBIA Advisory Board voted to recommend to the City Council approval of the 2020-2021 FSPBIA Annual Report (Annual Report) (Exhibit A to the Resolution), which 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 to the FSPBIA boundaries or the method of levying the assessment. The FSPBIA Advisory Board has decided to cancel all in-person events until further notice due to the COVID-19 pandemic.

To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment. At its November 17, 2020 meeting, the City Council approved Resolution No. RES-20-XXXX granting approval of the Annual Report, declaring its intention to levy the assessment, and setting December 8, 2020 as the date of the public hearing. A hearing notice, including a copy of the Resolution, was published in the local media.

State law provides that the City Council 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. If written protests are received from area business owners representing 50 percent or more of the proposed assessments, the City Council will not levy the assessment. If protests in such quantity are directed against a specific portion of the program, the City Council will eliminate that portion.

The Annual Report, transmitting the recommendations of the Advisory Board, proposes the following assessment rates:

Method of Assessment

| Business License Category | Annual Rate |
|--|--------------------|
| Financial/Banking and Insurance | \$200 |
| Service: Real Estate Offices | \$200 |
| Retail: Restaurant w/Alcohol and RTE | \$200 |
| Retail: Other | \$200 |
| Consulting | \$200 |
| Construction Contractor | \$200 |
| Professional | \$200 |
| Service: Other | \$200 |
| Misc.: Recreation/Entertainment, Vendors, Manufacturing, Wholesale | \$100 |
| Commercial Space Rental | \$100 |
| Nonprofit Business Operations | \$100 |
| Residential Property Rental | n/a |
| All Secondary Licensees | n/a |

Each year, the City calculates the Consumer Price Index (CPI) and applies the CPI to various City fees on July 1st of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The FSBIA Advisory Board has decided not to request a CPI adjustment for July 2021.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Budget Management Officer Rhutu Amin Gharib on November 11, 2020.

City Council action is requested on December 8, 2020, so that Fiscal Year 2021 (FY 21) assessment transfers may be made as required by the Agreement for Funding with the FSBIA.

It is estimated that the FSPBIA will generate \$10,000 in FY 21 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the FSPBIA through additional fees and passed directly through to the FSBIA for implementation of annual programs. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER