

January 16, 2024

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to receive supporting documentation into the record, conclude the public hearing, and adopt a Resolution continuing the Bixby Knolls Parking and Business Improvement Area assessment levy for the period of October 1, 2023 through September 30, 2024; and, authorize the City Manager, or designee, to extend the agreement with the Bixby Knolls Business Improvement Association for a one-year term. (Districts 5, 8)

DISCUSSION

The Bixby Knolls Parking and Business Improvement Area (BKPBA) was established by the City Council in 1989, allowing for the levy of an annual business license assessment to be paid by businesses located in the BKPBA. The City of Long Beach (City) contracts with the Bixby Knolls Business Improvement Association (BKBA) to manage the BKPBA and the BKBA Board of Directors serves as the Advisory Board to the City Council on matters related to the BKPBA. The BKBA promotes and markets the BKPBA using funds generated through the BKPBA business license assessment.

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 this Assessment District. On October 26, 2023, the BKPBA Advisory Board voted to recommend to the City Council approval of the 2023-2024 BKPBA Annual Report (Annual Report) (Exhibit A to the Resolution). The Annual Report describes boundaries, proposed activities, budgetary information, and the method and basis for the continuation of the assessment. The Annual Report proposes no change to the BKPBA boundaries or the method of levying the assessment, and no significant change to proposed activities for 2023-2024.

To continue the assessment levy, State law requires that a public hearing be held on the proposed program and assessment. On December 12, 2023, the City Council approved Resolution No. RES-23-0194 granting approval of the Annual Report, declaring its intention to levy the assessment, and setting January 16, 2024 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 BKBIA Advisory Board, proposes the following assessment rates:

Method of Assessment

- Business Base Rate \$520
- Nonprofit Base Rate \$260

Each year, the City calculates the Consumer Price Index (CPI), an adjustment for consumer goods and services, 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 BKBIA Advisory Board is not requesting a July 2024 CPI adjustment.

This matter was reviewed by Deputy City Attorney Marsha Yasuda on December 20, 2023, and by Budget Management Officer Nader Kaamouch on December 23, 2023.

TIMING CONSIDERATIONS

City Council action is requested on January 16, 2024 so that Fiscal Year 2024 assessment transfers may be made as required by the Agreement for Funding with the BKBIA.

FISCAL IMPACT

It is estimated that the BKBIA will generate \$452,400 in Fiscal Year 24 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the BKBIA through additional fees attached to BKBIA business licenses and passed directly through to the BKBIA 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.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Bo Martinez
Director
Economic Development

APPROVED:



THOMAS B. MODICA
CITY MANAGER