

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 Fourth Street 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 Fourth Street Business Improvement Association for a one-year term. (District 2)

DISCUSSION

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 Advisory Board designated for this Assessment District. On November 13, 2023, the FSBIA Board of Directors voted to recommend to the City Council approval of the 2023-2024 FSPBIA 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 FSPBIA boundaries or the method of levying the assessment and no significant change to proposed activities.

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-12-0193 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 FSBIA Advisory Board, proposes the following assessment rates:

Method of Assessment

Business License Category	Annual Rate
Financial/Banking & Insurance	\$200
Service: Real Estate Offices	\$200
Retail: Restaurant w/Alcohol & 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
Non-profit Business Operations	\$100
Residential Property Rental	N/A
All Secondary Licensees	N/A

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 1 of each year. Parking and Business Improvement Area Advisory Boards may request a CPI adjustment for business license assessments. The FSBIA 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 27, 2023.

TIMING CONSIDERATIONS

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

FISCAL IMPACT

It is estimated that the FSPBIA will generate \$16,000 in Fiscal Year 24 through the proposed continuation of the assessment. Assessment funds are collected by the City on behalf of the FSBIA through additional fees attached to FSPBIA business licenses 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.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'Bo Martinez', written in a cursive style.

Bo Martinez
Director
Economic Development

APPROVED:

A handwritten signature in blue ink, appearing to be 'Thomas B. Modica', written in a cursive style.

THOMAS B. MODICA
CITY MANAGER

ATTACHMENT: RESOLUTION
FOURTH ST. FY 24 ANNUAL REPORT