

**DOWNTOWN MANHATTAN BEACH
BUSINESS IMPROVEMENT DISTRICT**

Business Improvement & Activity Plan
July 1, 2023

*Prepared by the **Downtown Manhattan Beach Business & Professional Association**
pursuant to the State of California
And the Parking and Business Improvement Area Law of 1989
to maintain the Business Improvement District for
Downtown Manhattan Beach, California.*

DOWNTOWN MANHATTAN BEACH BUSINESS IMPROVEMENT DISTRICT INFORMATION AT-A-GLANCE

This Business Improvement District has been in existence since April of 1969 under the authority of the “Parking and Business Improvement Area Law of 1965”. This law was restrictive with respect to the use of funds. In 1989 the State Legislature adopted Senate Bill 1424, “Parking and Business Improvement Area Law of 1989”. In 1998 a group of concerned merchants and a growing coalition of downtown stakeholders, developed the proposal to establish a new Downtown Manhattan Beach Business Improvement District (BID) under the new legislation. In October 1998, that legislation was approved and adopted as City Ordinance No. 1989. In January 1999, the BID contracted with the Downtown Manhattan Beach Business & Professional Association (DBPA), a 501 (c) 6 not-for-profit corporation established in 1985, to provide specific benefits to the members of the BID.

Location: The Existing Business District of Downtown Manhattan Beach.

Stakeholders: Downtown Businesses - All business license holders in the Downtown area except commercial property owners.

***Improvements
And Activities:***

- A. Parking, Transportation & Community Programs
- B. Marketing & Advertising
- C. Promotions & Special Events
- D. Professional Management & Communications

Method of

Financing: Benefit-based assessments on City Business License Tax.

Assessment: Based on the existing assessment. An 80% surcharge on the City Business License Tax not to exceed \$600.

***Collection of
Assessment:***

The fees are collected in March/April of each year and disbursed through contract, to the Downtown Manhattan Beach Business & Professional Association (DBPA).

Governance:

Advisory Board: Annual recommendations on Downtown Manhattan Beach Business Improvement District (BID) budgets and assessments will be submitted to the Manhattan Beach City Council by a seven–nine (7-9) member Advisory Board composed of business owners located within the boundaries of the BID. The Advisory Board will also monitor the delivery of improvements and activities, which will be the day-to-day responsibility of the Downtown Manhattan Beach Business and Professional Association (DBPA).

Business owners that are assessed within the BID, and, per State law, appointed by the Manhattan Beach City Council can nominate members of the Advisory Board.

Representation should consist of businesses on Manhattan Beach Boulevard, Manhattan Avenue and Highland Avenue. It should also contain a mix of retail, service and restaurants.

It is anticipated that the Advisory Board will meet at least once annually.

**Downtown
Association:**

The BID will contract with the DBPA to carry out improvements and activities described in the Plan, as well as the day-to-day operations. In delivering BID improvements and activities, the DBPA will aim to meet the following objectives:

- Maximize coordination with the City and other civic organizations to leverage resources;
- Deliver programs through a cost-effective and non-bureaucratic organization that features one executive director that works for all Downtown Manhattan Beach stakeholders;
- Provide for accountability to business owners who pay assessments.

***Maintaining the
District:***

The City Council can maintain the district by adopting a Resolution of Intention. A public hearing shall be held not less than 20 or more than 30 days after the adoption of the Resolution of Intention. If there is not written protest from owners representing over 50% of the assessments to be paid, the BID assessment will continue.

***Benefits
Of the District:***

The BID costs no more than the prior assessment and allows the district's funds to be self-governed and to go beyond parking issues.

The BID allows for integrated marketing efforts such as cooperative promotions, advertising and publishing downtown directories and calendars of events.

The DBPA provides key promotional and organizational support through a variety of functions that directly benefit its ratepayers as well as the City. Such as:

- Creating a public/private partnership to manage the Downtown environment to ensure high standards for signage, security, maintenance, parking and marketing;
- Increasing sales and revenues throughout the district as well as tax and parking revenue to the City;
- Advocating Downtown interests and for the City at large;
- Establishing and implementing a Downtown vision, an image of a thriving city center that reflects the good health and economic vitality of the entire city, making the city an attractive venue for businesses;
- Assisting the City in policy making, administration and implementation of City programs;
- Streamlining communications and saving time and energy, by providing the City with a single, unified Downtown entity.

BID ACTIVITY PLAN 2024

A. Board of Directors

- a. Determine if current members of advisory board want to be replaced
- b. Locate and update BID bylaws if necessary

B. Downtown Manhattan Beach Beautification

- a. Partner with City MB Public Works to ensure continued maintenance, signage, landscaping and cleaning objectives are met.
- b. Assist Public Works with beautification efforts, including increasing the number of Big Belly trash cans, incorporating professional design and quarterly refreshing of Downtown landscaping, enhancing lighting.
- c. Replace current shopping directories.
- d. Install water bottle filling station in Metlox to reduce plastic waste at Farmers Market.

C. Parking and Transportation Strategies

- a. Assist Community Development in creating a proposal for an on-demand, electric vehicle shared ride service as a part of the Outdoor Dining proposal. The plan should include:
 - i. DBPA to provide data analysis regarding previous service and utilization.
 - ii. Develop coordinated ongoing funding model(s) to include community and business stakeholders including the Chamber of Commerce, North Manhattan Beach BID, Manhattan Village Shopping Center and City MB.
 - iii. Potential for use for off-site parking for both public and private employees of Downtown.
 - iv. Potential for incorporating Dial-a-Ride services.
 - v. Potential for linking with current public transportation options to provide first/last mile clean transportation for commuters.
 - vi. Usability for entirety of Manhattan Beach residents.

D. Downtown Future Plan – Permanent Outdoor Dining

- a. Promote the City hiring a consultant to manage design process
- b. What happens when State Emergency Order ends
- c. Membership vote
- d. Assist with Downtown business, landlord and resident engagement

E. Business License Tax Calculation Revision

- a. Work with Chamber of Commerce to explore revision to better support small businesses, ensuring the changes are revenue neutral or positive for City MB
- b. Investigate attorney to assist with this process

F" City Planning & Code Amendments

- Sidewalk signage and clothing racks
- Benches or seating on sidewalks
- Increased total restaurant capacity based on indoor + outdoor dining
- Streamlining process
 - Timeline
 - Number of revisions/clearer expectations
 - Beer & wine permits included in CUPs
 - What can/cannot be included in CUPs
 - Making "common sense" exceptions

G. Marketing & Advertising - Ongoing

Goal: The DBPA is directed to continue with marketing programs that benefits all businesses in the BID, including:

- Create and distribute materials in print, social media, posters, banners
- Visitor and destination guides; hotels, social media travel
- Maintain the website and email database to ensure promotion and ease of use for public and businesses.
- Maintain social media presence and increase number of social media followers, as of 7/19/20: Instagram – 18.7K; Twitter – 2,986; Facebook – 8,524
- Work in tandem with the Chamber of Commerce for marketing and visitor communications, particularly their Destination Guide

H. Promotions & Special Events - Ongoing

Goal: The DBPA is directed to successfully promote and execute any Special Events that make sense and support our businesses.

Goal:

- Sponsor (3) annual "Sidewalk Sales" to promote Downtown merchants
- Participate in Monthly Special Events meetings with all City MB departments to ensure the needs of BID businesses are considered in event decisions
- Conduct weekly Farmers Market, including DBPA business promotion booths
- Host the "Holiday Open House together with the Pier Lighting to kick-off the holiday shopping season

- Continue to work with the 'Beach Events' such as 6-Man/International Surf Festival, Catalina Classic & Manhattan Open to ensure the downtown benefits from the events and that communications regarding street and parking impacts are effectively communicated to businesses.
- Co-Sponsor MBPD K-9 Car show in September
- Develop ongoing relationship between the DBPA and Los Angeles Chargers to provide mutually beneficial events

I. Professional Management & Communications - Ongoing

Goal: The DBPA is directed to continue to meet with and provide regular, professional and effective communications with the MB Residents' Association, various City employees, Department Directors, MBPD/MBFD, City Council, DBPA membership and the BID Board.

Goal: The DBPA is directed to continue to provide affordable resources to businesses within the BID to assist with government mandated training or HR related issues through private vendors or coordination with the Chamber of Commerce, as well keep members apprised of important issues affecting their businesses.

Goal: The DBPA is directed to maintain professional management to ensure this cohesive Business Improvement and Activity Plan is implemented, that new businesses in the District are welcomed and their participation is invited to ensure an economically thriving Downtown and that the BID Board is aware of larger concerns and opportunities such as parking and revenue streams.

J. Manage Revenue Generation and Growth - Ongoing

Goal: Strive for annual increase in revenues at the Farmers Market by creating a compelling mix of vendors, maximizing community benefits, managing expenses, and promoting attendance.

Goal: Maintain or increase participation in assessments and business licensing within the BID by cooperatively working with the Finance Department and engaging new or non-participating businesses.

K. Provide Safe Environment for Businesses and Customers

Goal: DBPA to create a full safety plan to present to BID advisory board to ensure safety for our businesses and customers. Plan should include:

- A. Work with MBPD to employ more foot beat officer patrols and/or hired security guards, with planned hours and schedules
- B. Work with MBPD to determine need and hours for CSC and Ambassadors
- C. Create a coordinated and publicized security campaign including
 - a. Security camera program for entire area
 - b. Employee safety escorts

- c. Business training – create a one sheet reference guide for who to call for what, owners teach staff to call 911 and prosecute, recommending security systems and recording technology for businesses and other safety measures recommended by MBPD.

D. Work with City Manager and City Council to determine the process and potential for acquiring a City Prosecutor

ACTIVITY PLAN BUDGET

I. INCOME

2023-2024 Operating Budget

\$326,327 total income has been budgeted.

This fiscal year's operating budget breakdown of income for the Downtown Manhattan Beach BID is outlined below.

BID Contribution

\$115,000 has been budgeted.

The assessment methodology is a surcharge on the City of Manhattan Beach Business License Tax. Calculation of individual assessments for one year is determined by one factor; an 80% surcharge on the business license tax, not to exceed \$600.00.

DBPA Event Income

\$5,000 projected income for the Holiday Open House/Pier Lighting

HOH income is a suggested \$100 contribution from each business and is allocated towards entertainment and activities that evening as well as Small Business Saturday and December Advertising.

Farmers Market Sales

\$206,320 projected income in total sales (food, merchandise and sales from additional vendors, Carrot Coins).

II. FISCAL YEAR CAPITAL PLANS

Net income for 2022-2023 was \$30,402* contributing to total equity of \$306,895, of which approximately the following \$110,081 is allocated:

- \$37,081 in BID reserves
- \$25,000 is allocated towards Lighting & Beautification
- \$23,000 is allocated toward replacing Downtown directories
- \$25,000 is allocated toward electric shared ride vehicle service

*2022-23 income is stated through 6/8/23; fiscal year ends 6/30/23.

III. EXPENSES

2023-2024 Operating Budget

\$404,713 is the Activity Plan Budget

- **Professional Management & Administration (Rent, Supplies, Insurance, Payroll, Accounting, Permits, Utilities, etc.):**
\$125,567 is provided which accounts for 31% of the budget
- **Farmers Market Operations:**
\$96,380 is projected, comprising approximately 24% of the budget
- **Marketing, Advertising:**
\$108,168 is projected, comprising 27% of the budget, which includes \$23,000 to install new Directories to align with the revised Wayfinding style guidelines for the City of MB
- **Lighting/Beautification/Landscape**
\$25,000 is projected, comprising 6% of the budget
- **Electric Vehicle Rideshare Options**
\$25,000 is projected, comprising 6% of the budget
- **Special Events:**
\$17,400 is projected, comprising 4% of the budget (does not include advertising or marketing associated with events)
- **Budgeted Deficit:**
\$-78,386 is budgeted due to intended capital expenditures. This can be offset by changing expenditures or drawing from retained earnings.