



**DOWNTOWN MANHATTAN BEACH  
BUSINESS IMPROVEMENT DISTRICT**

Business Improvement & Activity Plan  
April 2019

*Prepared 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.*

Prepared by

**Downtown Manhattan Beach Business & Professional Association**

## **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 business 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 valet parking, 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.

## **BUSINESS IMPROVEMENT GOALS ACHIEVED, ACTIVITY PLAN 2018-2019**

As a result of the concerns identified through surveying business owners and the accomplishments of the DBPA since 1999, the DBPA Board of Directors proposes the following plan.

### **A. Downtown Manhattan Beach Lighting and Beautification**

- Lighting – The BID believes that the aesthetics and safety of the District will be greatly improved through installation of additional lighting. The BID has directed the DBPA to spend up to \$10,000 to obtain lighting design options specific to our Downtown BID, focusing on safety as well as beautification. The BID would like to see additional lighting installed on the Pier railings, under the Pier, as well as lighting underneath the pier to highlight the ocean.
- Beautification – The BID believes its members and visitors would be well served by enhancing landscaping, seating and walkway options throughout the District. The BID has directed the DBPA to spend up to \$10,000 to obtain design options for enhanced landscaping, seating options and specifying a new tile or substitute for walkways to replace the current mismatched, slippery Japanese tile in the District.
- Recycling Bins in Lot 3 — The recycling bins in this area have been problematic for several years. They are not used, emptied, or maintained properly, resulting in an eyesore and public health nuisance with swarming flies, overflowing boxes and untenable odors. The BID will be sending a letter to the City to recommend an ordinance regarding breaking down boxes, with financial penalties for those who do not comply. Most boxes are traceable by mailing labels, making it easy to fine businesses who do not abide by the rules. Although these bins are in an alleyway, it is highly traveled due to visitors to Lot 3, as well as offices and two nearly adjacent store fronts, Right Tribe and Homie. It may be beneficial to enclose or screen the area to help prevent the eyesore.
- Sidewalks—The BID believes that sidewalk cleaning has been reduced and would like to see a more frequent schedule established.

The BID Board respectfully requests City Council consider and approve the following downtown lighting and beautification requests:

- Install lighting on the Pier railings and underneath the Pier to highlight our beautiful oceanfront
- Establish an ordinance to financially enforce breaking down boxes for recycling bins to prevent unnecessary overflow
- Address the eyesore of recycling bins in Lot 3 through screening or other method of keeping these bins out of public view
- Establish a more frequent sidewalk steam cleaning schedule

## **B. Parking and Transportation Strategies**

*BID proposed parking and transportation solutions are to benefit employees, visitors and consumers. The Downtown BID, through the DBPA, will continue exploring alternative solutions to attract, transport and park customers and employees to/in Downtown Manhattan Beach.*

- Valet - Due to rising operational costs and lack of vendor interest, the downtown valet is no longer considered financially viable and the BID recommends suspending the program indefinitely. The City should note that parking meters previously utilized for valet parking are still not allowing payment during what were valet hours and should be updated to accept payment. The signs on these meters should also be updated so they no longer indicate they are reserved for valet parking.
- Metlox - The BID Board will submit a letter to the PPIC indicating that we would like to request the final implementation of the Smart Parking technology installed during construction of the Metlox parking structure. This technology should be utilized with parking space count displays at both entrances to the structure. This would eliminate the unsafe and unhealthy circling of vehicles in the garage looking for spaces that are not available.
- Rideshare and Taxi Loading Zones – The BID Advisory Board encourages the City to explore and subsequently approve dedicated ride share loading zones. Streets within the BID experience unnecessary congestion when ride share vehicles stop in the middle of a street or in front of a specific business. This creates both a safety issue and traffic problems within the BID. Vehicular and pedestrian safety would be greatly enhanced by implementing specific loading zones for all ride sharing services.
- LAX Corridor Transportation to Downtown BID – The valuable Ocean Express service ended in October 2017. The DBPA continues to fund a line item for a transportation model to bring travelers from the LAX corridor to the BID area. The DBPA is directed to continue to explore hotel/concierge relationships and potential ride share options, partnering with the MB Chamber of Commerce and City where applicable.
- The Downtowner EV shuttles – No replacement program has been identified by the City of Manhattan Beach, leaving parking availability, mobility within the BID, and access to the beach compromised. The BID encourages the DBPA and the City to continue to explore similar options and vendors.

The BID Board respectfully requests City Council consider and approve the following parking and transportation requests.

- 4 weeks of red-bagging the meters during the 2019 Holiday Season
- Prohibit all City and Athens vehicles that park in Metlox, Lot 1, 2, 3, or 6 on a daily basis
- Prohibit City MB employee parking in Metlox, Lot 1, 2, 3 or 6
- Change the lower level of Metlox parking to merchant parking only
- Extend the closing time of the lower pier lots to midnight on Friday and Saturday nights
- Prohibit event staff or VIP reserved parking at metered spots in Downtown, during marquee events
- Require marquee events to provide an event shuttle (with parking located outside of Downtown) and/or ride share codes to attendees and staff
- Re-instate the two “merchant only” spaces in Lot 1 that were removed when the Lot 1 retaining wall project was completed in late 2017
- Install a traffic light or flashing light crosswalk at Manhattan Beach Boulevard & Morningside Drive. This highly traveled intersection is dangerous for pedestrians.
- Allow immediate Permit Parking access to the approximately 75 parking spaces previously allocated to [dealer.com](http://dealer.com) in Lot 1
- Identify and approve dedicated ride share loading zones
- Complete implementation of smart parking technology in Metlox parking garage

### **C. Support weekly Manhattan Beach Certified Farmers' Market**

- Continue to support the City MB's Employee Wellness program through carrot coins to be used at the Farmers Market
- Continue to work with the City's Environmental Sustainability department and Waste Management to further "green" the market
- Ensuring all vendors comply with City environmental standards including providing no polystyrene containers or handled plastic bags, and utilize only paper straws and compostable or bamboo utensils
- Working on further initiatives to greatly reduce plastic produce bags, provide mesh produce bags for sale at minimal cost, and increasing use of compostable serving containers for hot food vendors

### **D. Community Programs**

- Continue to support the Fireworks Festival, Jimmy Miller Foundation, Neptunian Women's Club, Tour de Pier, Skechers' Friendship Walk, CHOICE Program, Pumpkin Races, Walk With Sally, American Red Cross and other identified local philanthropies with cash or in-kind donations when appropriate
- The Farmers Market continues to support the community, youth and wellness by contributing a percentage of quarterly market proceeds to MBEF, Growing Great, and Grades of Green. In addition the Farmers Market income also contributes to the Roundhouse Aquarium, MBLL, MBX, MCHS Drug and Alcohol Prevention, Coordinating Council, Catalina Classic and more
- Support non-profit organizations that benefit the community through proceeds from the Farmers' Market and other events, not to exceed 10% of Gross combined revenue of BID funds and MB Farmers Market funds

### **E. Marketing & Advertising**

- Downtown is the heart & soul of the City and community needs to be reminded that the charm comes through independent business owners offering unique merchandise and personal service
- Continue to promote the downtown as a unique destination for visitors with quaint shops, dining & services
- Utilize more social media advertising
- Cultivate and utilize an email database for direct marketing and communication and newsletters
- More effectively promote our Farmers Market
- Update graphics and collaterals related to last year's rebranding efforts
- Keep visitor guides fresh to reflect the tenant changes
- Continue to cultivate the Concierge and hotel relationships in the area
- Work in tandem with the Chamber of Commerce and their various advertising and marketing mechanisms, such as the Chamber Map and Destination Guide
- Continue working with the Chamber of Commerce to promote commerce in Manhattan Beach & seek their continued support of how important small business is to our City and local economy
- Continue to negotiate and make available cooperative advertising opportunities.



## **F. Promotions & Special Events**

- Holiday Open House Type Events—The BID believes the Holiday Open House has been a tremendous success in bringing together the community and our Downtown Businesses. The BID directs the DBPA to consider adding an additional event this year. Sponsor (3) annual “Sidewalk Sales” to promote Downtown merchants
- Participate in Family Movie Nights with Parks & Recreation Department
- Operate Sunset Beach Party at the AVP/MB Open with a portion of proceeds being donated to the Roundhouse Aquarium educational programs
- Conduct weekly Farmers Market and monthly Chef demos
- 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 Paddleboard & Manhattan Open to ensure the downtown benefits from the events and that there

## **G. Professional Management & Communications**

- 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
- Maintain professional management to ensure this cohesive Business Improvement and Activity Plan is implemented and continued
- Reach out to new businesses to make them feel welcome and invite their participation in our efforts as an Association to keep downtown thriving
- Work closely with the MB Property Owners Association
- Work closely with the MB Residents Association
- Work closely on the Homeless Initiatives with City of Manhattan Beach
- Work closely with all merchants and the Farmers Market on all Sustainable MB practices
- Meet regularly with City Manager and Department heads
- Continue informing members of important issues affecting their business
- Communicate needs and concerns and work closely with MBPD
- Increase public relations opportunities for promoting the Downtown
- Communicate with BID Board as often as needed regarding larger BID concerns and opportunities, such as parking and revenue streams

## **BUSINESS IMPROVEMENT & ACTIVITY PLAN BUDGET**

### **I. INCOME**

#### **2019-2020 Operating Budget**

This fiscal year's operating budget breakdown of income for the Downtown Manhattan Beach BID is outlined below. The activity plan budget is projected at approximately \$340,000 with the following components:

#### **BID Contribution**

\$109,000 has been budgeted. The assessment methodology will remain the same, 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**

\$37,000 projected income

\$12,000 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

\$25,000 projected income for the Sunset Beach Party

#### **Farmers Market**

\$194,000 projected income in total sales (market sales, merchandise, additional vendors, Carrot Coins and other sources)

This reflects a 5% increase in overall market sales over the previous year

### **II. FISCAL YEAR**

**Net income for 2018-2019 was \$63,000 and the net retained earnings are \$158,000 of which approximately the following is allocated:**

- \$37,000 in BID reserves
- Approximately \$35,000 is allocated for operating costs and payroll expense through July of 2019 and until the BID funds are received in July 2019
- \$28,000 is allocated towards transportation solutions
- \$25,000 is allocated towards Community Programs
- Approximately \$55,000 is appropriated for marketing and advertising in the fiscal year 2018-19

### III. EXPENSES

#### 2019-2020 Operating Budget

The operating budget breakdowns of expenses for the Downtown Manhattan Beach BID and Farmers Market sales are provided below. The improvement and activity plan budget is projected at approximately \$340,000.00

- **Professional Management & Administration (Rent, Supplies, Insurance, Permits, Utilities, etc.):**  
\$112,000 is provided which accounts for 33% of the budget
- **City Services:**  
\$30,000 is projected, comprising approximately 9% of the budget
- **Community Programs:**  
\$101,000 is projected, comprising approximately 30% of the budget  
\$75,000 is estimated for the operation of the Farmers Market  
\$26,000 is estimated in community donations and sponsorships
- **Marketing, Advertising:**  
\$55,000 is available, which comprises 16% of the budget
- **Parking/Transportation:**  
\$28,000 is allocated, which comprises 8% of the budget
- **Special Events:**  
\$13,000 is allocated, comprising 4% of the budget (does not include advertising or marketing associated with the events)