



Legislation Text

File #: 21-0024, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Finance Director

SUBJECT:

Conduct Public Hearing Renewing the North Manhattan Beach Business Improvement District and Approval of the Annual Collection of Assessments for Fiscal Year 2021-2022 (Finance Director Charelian).

a) CONDUCT PUBLIC HEARING

b) ADOPT RESOLUTION NO. 21-0019

c) RATIFY 2021 BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD MEMBERS

d) CONSIDER THE PROPOSED 2021 ACTIVITY PLAN

RECOMMENDATION:

Staff recommends that the City Council:

a) Conduct a Public Hearing regarding the proposed assessment;

b) Adopt Resolution No. 21-0019, renewing the district and authorizing the collection of the assessment to provide services of the North Manhattan Beach Business Improvement District (North MB BID);

c) Ratify the Business Improvement District Advisory Board Members for 2021; and

d) Review and approve the Proposed 2021 Activity Plan.

FISCAL IMPLICATIONS:

The North Manhattan Beach Business Improvement District (NMB BID) is funded through an 80% surcharge to the business license tax paid by those businesses located within the district, not to exceed \$500 annually. Collections for this fiscal year are estimated to be \$29,000. NMB BID has approximately \$508,504 in reserve for projects and activities.

BACKGROUND:

In January 2004, the City Council dissolved the North End Business Improvement District, which was formed in 1969 under the State's Parking and Business Improvement District Act of 1965. The BID was limited in scope and was mainly responsible for addressing parking acquisition and construction. Because opportunity for acquiring additional parking in the North End is limited, business district members wanted to use the funds for other types of activities, such as physical improvements, beautification, signage, marketing, and promotion. To accommodate this request, City Council dissolved the 1969 Business Improvement District and created the current Business Improvement District using the broader 1989 BID Act.

DISCUSSION:

Assessments

The NMB BID and its associated assessments must be renewed annually. In conformance with applicable law, the City Council adopted Resolution No. 21-0019 on January 19, 2021, declaring its intention to authorize the collection of assessments to provide services in accordance with the 2021 Activity Plan and Annual Budget. Tonight's public hearing to allow testimony both in support of and against the proposed assessments was established at that meeting and has been properly noticed in accordance with State law.

The Resolution of Intention was circulated to all current North Manhattan Beach business members and was published in The Beach Reporter. If adopted, Resolution No. 21-0019 will be effective immediately and will set the assessment at 80% surcharge on the business license tax not to exceed \$500 annually for NMB BID member businesses. This assessment remains unchanged from last fiscal year and will be in effect for the next assessment cycle, which coincides with the fiscal year 2021-2022 business license period (March 1, 2021 - Feb 28, 2022).

Advisory Board

The 1989 Business Improvement District Act requires that the City Council select a BID Advisory Board. Advisory Board duties include recommendations to the City Council on expenditure of revenues derived from the assessments, as well as the method and basis of levying the assessments. The following is a list of the 2021 Advisory Board elected by the NMB BID membership, and their affiliation with the district:

- Peter Kim, *Chairperson* (Sloopy's Beach Cafe)
- Janice Davenport, *Vice Chairperson* (Pancho's Restaurant)
- Steve Delk, *Recording Secretary* (OB's Pub & Grill)
- Harry Ashikian, *Board Member* (Salvatore's Shoe Repair)

This board was elected at the December 16, 2020, North MB BID Advisory Board meeting through a nomination and election process via zoom virtual meeting. The North MB BID Advisory Board voted unanimously in November 2020 to change the 2021-2022 term from one year to two years.

Annual Budget and Activity Plan 2021

The Business Improvement District Advisory Board reviews and approves the operating plan for the District. The attached Annual Budget and Activity Plan 2021 contains all information relative to projected revenues and expenses, and outlines the services and programs to be funded by the Business Improvement District. This year, the operating plan identifies the following programs:

- Continue using the website for North MB BID visitor outreach and marketing. Maintain and enhance the digital presence of the North Manhattan Beach district through public engagement (e.g. surveys, individual business outreach), website, social media, and e-notifications.
- Develop a branding logo for the North MB BID and include trademarking.
- Host Annual Holiday Stroll Community Event in December.
- Solicit Bids for Public Art and work with the Cultural Arts Commission for installation and placement.

- Recruit a part-time marketing executive to help with the promotion of the North MB BID businesses.

The City is currently in the process of replacing trees and grates in the NMB BID which has been on the Activity Plan for several years. The Business Improvement District will work with their City liaison to approach the City Council with future requests as they are identified. The removal and planting of the new trees will start on January 19, 2021, and will be completed by the end of February 2021.

By-Laws

The North MB BID recently reviewed and revised their bylaws at the advisory Board Meeting held on December 16, 2020 (Attachment 3). These bylaws provide the North MB BID governance articles election procedures, annual reporting requirements, meeting procedures, and code of conduct. The bylaws were developed by the advisory board and were reviewed by the City's legal team.

CONCLUSION

If there is not a majority protest of the assessment payers, staff recommends that the City Council:

- a) Adopt Resolution No. 21-0019 renewing the district and authorizing the collection of the assessment to provide services of the North Manhattan Beach Business Improvement District;
- b) Ratify the Business Improvement District Advisory Board Members for 2021; and
- c) Review and approve the Proposed 2021 Activity Plan.

PUBLIC OUTREACH:

In compliance with State law, copies of the Resolution of Intention adopted on January 19, 2021, were mailed to all current NMB BID members on January 21, 2021. A Public Notice was placed in the January 28, 2021, Beach Reporter publication.

LEGAL REVIEW

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Resolution No. 21-0019
2. 2021 Annual Budget and Activity Plan
3. North MB BID Bylaws