



Legislation Details (With Text)

File #: 20-0040 **Version:** 1

Type: Public Hearing - Staff Report **Status:** Agenda Ready

In control: City Council Regular Meeting

On agenda: 2/18/2020 **Final action:**

Title: Conduct Public Hearing Renewing the North Manhattan Beach Business Improvement District and Approval of the Annual Collection of Assessments for Fiscal Year 2020-2021 (Finance Director Charelian).
a) CONDUCT PUBLIC HEARING
b) ADOPT RESOLUTION NO. 20-0015
c) RATIFY 2020 BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD MEMBERS
d) CONSIDER THE PROPOSED 2020 ACTIVITY PLAN

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution No. 20-0015, 2. 2020 Annual Report Budget and Activity Plan, 3. NMBBID Bylaws

Date	Ver.	Action By	Action	Result
2/18/2020	1	City Council Regular Meeting		

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Finance Director
Cynthia Mickschl, Revenue Services Manager

SUBJECT:

Conduct Public Hearing Renewing the North Manhattan Beach Business Improvement District and Approval of the Annual Collection of Assessments for Fiscal Year 2020-2021 (Finance Director Charelian).

- a) CONDUCT PUBLIC HEARING
b) ADOPT RESOLUTION NO. 20-0015
c) RATIFY 2020 BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD MEMBERS
d) CONSIDER THE PROPOSED 2020 ACTIVITY PLAN

RECOMMENDATION:

Staff recommends that the City Council:

- a) Conduct a Public Hearing regarding the proposed assessment;
b) Adopt Resolution No. 20-0015, renewing the district and authorizing the collection of the assessment to provide services of the North Manhattan Beach Business Improvement District (NMB

BID);

c) Ratify the Business Improvement District Advisory Board Members for 2020; and

d) Review and approve the Proposed 2020 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 \$600,000 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 Business Improvement District 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. 20-0015 on January 21, 2020, declaring its intention to authorize the collection of assessments to provide services in accordance with the 2020 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. 20-0015 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 2020-2021 business license period (March 1, 2020 - Feb 28, 2021).

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 2020 Advisory Board elected by the NMB BID membership, and their affiliation with the district:

- Gretchen Tiernan, Chairperson (Sand Spa)
- Harry Ashikian, Vice Chairperson (Salvatore's Shoe Repair)
- Janice Davenport, Recording Secretary (Pancho's Restaurant)
- Peter Kim, Board Member (Sloopy's Beach Cafe)
- Megan Richardson, Board Member (Polish by Sand Spa)

- Steve Delk, Board Member (OB's Pub & Grill)
- Jason Goldwater, Board Member (Box) - Resigned

This board was elected at the December 4, 2019 NMB BID Advisory Board meeting through a nomination and balloting process. On February 6, 2020 after the February Advisory Board Meeting, Board Member Jason Goldwater formally resigned. The City Council has the discretionary authority to ratify the election results with the remaining Board members.

Annual Budget and Activity Plan 2020

The Business Improvement District Advisory Board reviews and approves the operating plan for the District. The attached Annual Budget and Activity Plan 2020 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 NMB 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. The estimated cost is \$9,000 per year.
- Develop a brand/logo for the NMB BID and include trademarking. The estimated one-time cost is \$6,000-8,000.
- Review possibilities of street lighting or decorations once City concludes purchase of Edison light poles.
- Host Annual Holiday Stroll Community Event in December. The estimated cost is \$40,000 - 50,000.
- Solicit Bids for Public Art and work with the City Public Arts Commission for installation and placement. The estimated cost is \$16,000-30,000.
- Determine process to request that the City expand parking limits in the District from two hours to three hours.

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 approach the City Council with future requests as they are identified.

By-Laws

The NMB BID recently reviewed and revised their bylaws at the advisory Board Meeting held on February 5, 2020 (Attachment 3). These bylaws provide the NMB 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. 20-0015 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 2020; and
- c) Review and approve the Proposed 2020 Activity Plan.

PUBLIC OUTREACH:

In compliance with State law, copies of the Resolution of Intention adopted on January 21, 2020, were mailed to all current NMB BID members on January 23, 2020. A Public Notice was placed in the February 6, 2020, 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. 20-0015
2. 2020 Annual Budget and Activity Plan
3. NMBBID Bylaws