



Agenda Item # _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Aldinger and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Bruce Moe, Finance Director

DATE: December 18, 2007

SUBJECT: Consideration of Resolution of Intention to Provide for Annual Levy and Collection of Assessments for the North Manhattan Beach Business Improvement District and Setting January 15, 2008 for a Public Hearing

RECOMMENDATION:

The North Manhattan Beach Business Improvement District Advisory Board and City staff recommend that the City Council adopt Resolution No. 6118 announcing the City's intention to set assessments for the North Manhattan Beach Business Improvement District (BID) for fiscal year 2007-2008, and setting the public hearing for January 15, 2008.

FISCAL IMPLICATION:

There is no budgetary or other financial implication associated with the adoption of the Resolution of Intention.

BACKGROUND:

From 1969 to 2004 a North End Business Improvement District (BID) existed for commercial properties located along the northern portion of Highland Avenue and a few businesses located along Rosecrans Avenue just east of Highland. This BID, formed under the Parking and Business Improvement District Law of 1965, was fairly limited in scope and was mainly used to address parking acquisition and construction.

In December, 2004, Council approved revamping the North End BID because it was apparent that opportunities for increased parking in this section of the community were limited. Additionally, the business owners in this area were interested in using the accumulated funds (now totaling approximately \$500,000) for business promotional purposes, and to create an identity for the North End. As a result, the old BID was converted from the 1965 law to the 1989 BID law, which permits funds to be used for broad purposes such as marketing, promotions, capital improvements and special events to name a few.

More recently, on November 20, 2007, the City Council approved renaming of the old "North End" area, "North Manhattan Beach." The revised name will be used for new branding and identity purposes among the businesses. As a result of this change, the Business Improvement District has

also been renamed the “North Manhattan Beach Business Improvement District.”

The Parking and Business Improvement Area Law of 1989 requires that the district and the associated assessments be renewed annually. Therefore, at its meeting of January 15, 2008, the City Council will hold a public hearing to consider the request from the North Manhattan Beach Business Improvement District Advisory Board to renew the district for fiscal year 2007-2008 and levy the associated assessments (80% surcharge on business license fees to a maximum of \$500).

DISCUSSION:

The purpose of the Resolution is to announce the City's intention to renew the BID, establish the method of assessment, outline the activities and services to be funded by the assessment, and to set the date for a formal public hearing. The funding for the BID is an 80% surcharge on the business license tax, not-to-exceed \$500 for any individual business.

On May 21, 2007¹ the North Manhattan Beach Business Improvement District Advisory Board met to discuss the proposed service program and associated budget for fiscal year 2007-2008 (meeting minutes are provided as Exhibit “A”). At that time, the Board unanimously approved the FY 2007-2008 program (Exhibit “B”) and now request that the City Council consider adopting the Resolution of Intention (Exhibit “C”).

If adopted by the City Council, this Resolution of Intention will be circulated to all business owners within the BID, as notification of the public hearing on January 15, 2008. In addition, a notice advertising the public hearing will be placed in *The Beach Reporter*. At the public hearing, all proponents and opponents of the proposed BID will have an opportunity to present information to the City Council.

Exhibits:

- A. BID Advisory Board Meeting Minutes
- B. Fiscal year 2007-2008 North Manhattan Beach Business Improvement District Plan
- C. Resolution No. 6118

¹ The delay between the BID Advisory Board meeting and tonight’s action is the result of developing and presenting North Manhattan Beach plans for City Council review and discussion, in advance of the annual renewal. Those plans were presented to, and approved by, the City Council on November 20, 2007.

North End BID Advisory Board Meeting

May 21, 2007

The meeting was held at Pancho's restaurant in North Manhattan Beach

Call to Order: 11:30 AM

Members Present:

Ab Lawrence

Paul Dorr

Muriel Savikas

Annual Work Plan and Budget:

Members discussed and approved the FY 2007-2008 BID Work Plan and Budget, including member assessments, which will remain unchanged from the prior year.

Members proposed the following:

1. a meeting be held with business licensees to be held on June 25, 2007 at 6 PM in the City Yard on Bell Street. The purpose of this meeting is to collaborate on the name to be used for the North End for marketing purposes and to advance ideas for the revitalization of the business community;
2. a community meeting be held to introduce the proposed the business area name and associated marketing plans to the community at large for support;
3. presentation to City Council for final approval;
4. implementation of marketing plans.

2007-2008 Advisory Board Nominations:

Ab Lawrence

Paul Dorr

Marie Garvey

Muriel Savikas

Meeting Closed at 12:10 PM.

Recording Secretary:

Muriel S. Savikas, Ph.D.

**NORTH MANHATTAN BEACH
BUSINESS IMPROVEMENT PROJECT**

**Enhancement Project and Activity Plan
2007-2008**

Location: The area generally surrounding the Rosecrans Avenue and Highland Avenue intersection. Specific boundaries are:

- (north to south) the extent of the Highland Avenue right-of-way from the northernmost City line at 45th Street to 32nd Place on the south;
- (east to west) the extent of Rosecrans Avenue right-of-way from Bell Avenue to the west side of Highland Avenue

Stakeholders: North Manhattan Beach Businesses – All business license holders in the North Manhattan Beach area, with the exception of home-based businesses and commercial property owners.

Improvements And Activities:

- A. Capital improvement Project Design
- B. Marketing & Advertising
- C. Project Implementation
- D. Professional Communications

Method of Financing: Benefit-based assessments on City Business License Tax

Assessment: An 80% surcharge on the City Business License Tax not to exceed \$500.00.

Collection of Assessment: The fees are collected in March/April of each year with the Business License Tax. The funds shall be retained in a designated fund and disbursed through the City.

Governance: A City Council ratified Advisory Board serves to make recommendations to the City Council for the North Manhattan Business Improvement District (BID) on such topics as budget and assessments. The Advisory Board consists of four (4) members composed of area business owners, residents, or members at large. The City Council ratifies the board members annually. It is anticipated that the Advisory Board will meet at least once annually.

In delivering BID improvements and activities, the Advisory Board will aim to meet the following objectives:

- Maximize coordination with the City and other civic organizations to leverage resources;
- Identify streetscape improvements and create an identity plan for North Manhattan Beach;

- Provide accountability to business owners who pay assessments.

Maintaining the District:

The City Council maintains 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 insufficient protest from owners representing over 50% of the assessments to be paid, the BID assessment will continue.

Benefits of the District:

The BID allows for streetscape, signage and landscape improvements, and creation of a North Manhattan identity through integrated marketing efforts such as promotions, banners throughout the area and advertising.

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

- Enhancing the appearance of North Manhattan through signage, landscaping, and curb and sidewalk upgrades;
- Establishing and implementing a North Manhattan vision, a beautification image that is in line with the rest of Manhattan Beach and one that reflects the good health and economic vitality of the entire city, making the city an attractive venue for business;
- Providing an inclusive link to the north end of the city.

ENHANCEMENT PROJECT AND ACTIVITY PLAN

As a result of the concerns of business owners and residents through numerous meetings, the BID proposes the following plan:

A. Project Design

- Develop streetscape improvement and identity plan in North Manhattan Beach;
- Create public works improvements that ensure each incremental project in North Manhattan Beach incorporates the larger vision and coordinates street furniture and equipment at time of replacement;
- Create façade improvement and program with overall signage and color guidelines;
- Improve aesthetics of the public and private realm by providing the framework of a larger urban plan and vision;

- Allow traffic to move through North Manhattan Beach with improvements to intersections and signal timing;
- Focus on improving this area as an interesting and safe pedestrian environment for the local residents;
- Address the safe and practical cohabitation of vehicular traffic with pedestrians;
- Work with the City to collaborate on the long-range plan of the City.

B. Marketing & Advertising

- Develop a program wide marketing and advertising identity to promote the North Manhattan area as a Gateway to the City;
- Create a new ‘sense of place’ which draws on the unique character of the natural, man-made, and cultural heritage of North Manhattan Beach;
- Work with residents and business owners alike to retain and underscore a pride in the updating and development of North Manhattan Beach;
- Work with the City to collaborate on enhancing the North Manhattan community environment.

C. Project Implementation

- Initiate Banner printing/production/space planning;
- Distribute flyers to the neighborhood;
- Implement banner program for North Manhattan Beach identity;
- Coordinate with public works department of the City the placement of signage, redesigns for crosswalk, landscaping and medians and other long-range improvements;

D. Professional Management & Communications

- Maintain professional management to ensure the project success and implementation of the north Manhattan Enhancement Project and Activity Plan;
- Maintain communication with north end business owners and the City;
- Continue informing north end business owners and residents of important issues affecting North Manhattan;

ENHANCEMENT IMPROVEMENT & ACTIVITY PLAN BUDGETS

I. EXPENSES

A. 2007-2008 Budget - \$370,000 (carried forward from the prior year)

- Formation, development and implementation of signage and banners.
- Design and coordinate crosswalk improvements to coincide with street resurfacing.

- Other physical improvements

II. INCOME

A. 2007-2008 Operating Budget

- \$12,876 collection from North End businesses.

III. SURPLUS FROM PREVIOUS FICAL YEAR

- \$23,524

RESOLUTION NO. 6118

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA DECLARING ITS INTENTION TO PROVIDE FOR ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR THE NORTH MANHATTAN BEACH BUSINESS IMPROVEMENT DISTRICT, PURSUANT TO SECTION 36500 OF THE STREETS & HIGHWAYS CODE OF THE STATE OF CALIFORNIA AND SETTING A TIME AND PLACE FOR PUBLIC HEARING THEREON

WHEREAS, this City Council has previously formed a Property and Business Improvement District in North Manhattan Beach, pursuant to Streets and Highways Code Section 36500 et. seq. (SB 1424 - Parking & Business Improvement Law of 1989, Chapter 2); and

WHEREAS, the North Manhattan Beach Business Improvement District Advisory Board met on May 21, 2007 and unanimously supported the proposed operating program and budget of the North Manhattan Beach Business Improvement District for FY 2007-08; and

WHEREAS, this City Council is desirous of continuing the assessment on businesses within the Parking & Business Improvement District to allow the business owners within the District to utilize the funds for a range of services and activities that will promote and enhance North Manhattan Beach.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, DOES HEREBY DECLARE, FIND, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Business Improvement District is known as the North Manhattan Beach Business Improvement District (herein referred to as District).

SECTION 3. The District physical boundaries include all operating businesses along Highland Avenue from 45th Street to the North and to 32nd Place to the South, and along Rosecrans Avenue from Highland Avenue to the West to the 500 block of Rosecrans to the East. A map identifying the specific, legal boundary for the North Manhattan Beach Business Improvement District is available for review in the Office of the City Clerk.

SECTION 4. All businesses within the boundaries of said District as described herein are subject to the provisions of the additional assessment which will be levied annually to pay for all improvements and activities within the District.

SECTION 5. The assessment methodology for funding the services and activities of the North Manhattan Beach Business Improvement District shall be a surcharge of 80% on the business license tax, not to exceed \$500.00 per business license.

SECTION 6. The funds generated by the business license surcharge shall be use for the following purposes:

- Parking & Transportation
- Marketing and Promotions
- Special Events
- Management Services

SECTION 7. The City Council shall convene a Public Hearing regarding the levying of assessments by the North Manhattan Beach Business Improvement District on January 15, 2008 at 6:30 p.m. in the City Council Chambers located at 1400 Highland Avenue in said City. At that time, the City Council will hear testimony of all interested parties for or against the levying of assessments by the District, the extent of the District, and/or the activities and services which shall be provided through the District.

SECTION 8. This Resolution shall be circulated to each business owner within seven (7) days of the date of adoption by the City Council.

SECTION 9. The City Clerk shall make this Resolution reasonably available for public inspection within thirty (30) days of the date this Resolution is adopted.

SECTION 10. The City Clerk shall certify to the adoption of this Resolution and thenceforth and thereafter the same shall be in full force and effect.

PASSED, APPROVED and ADOPTED this 18th day of December 2007.

Ayes:
Noes:
Absent:
Abstain:

Mayor, City of Manhattan Beach, California

ATTEST:

City Clerk