



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Powell and Members of the City Council

THROUGH:  David N. Carmany, City Manager

FROM: Bruce Moe, Finance Director 

DATE: May 15, 2012

SUBJECT: Resolution of Intention to Provide for Annual Levy and Collection of Assessments for the Downtown Business Improvement District and Setting June 19, 2012 for a Public Hearing

RECOMMENDATION:

The Downtown Business Improvement District Advisory Board and City staff recommend that the City Council adopt Resolution No. 6361 announcing the City's intention to set assessments for the Downtown Business Improvement District (BID) for fiscal year 2012-2013, and setting the public hearing for June 19, 2012.

FISCAL IMPLICATION:

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

BACKGROUND:

In 1998, the City Council, at the request of the downtown business owners, dissolved an existing parking district and created a new Business Improvement District (BID) for the downtown area. The new district was created under the Parking and Business Improvement Area Law of 1989, which provides flexibility with respect to the use of funds. The previously existing parking district restricted the use of the funds to the acquisition and construction of parking facilities.

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 June 19, 2012, the City Council will hold a public hearing to consider the request from the Downtown Business Improvement District Advisory Board to renew the district for fiscal year 2012-2013 and levy the associated assessments (80% surcharge on business license fees to a maximum of \$600).

DISCUSSION:

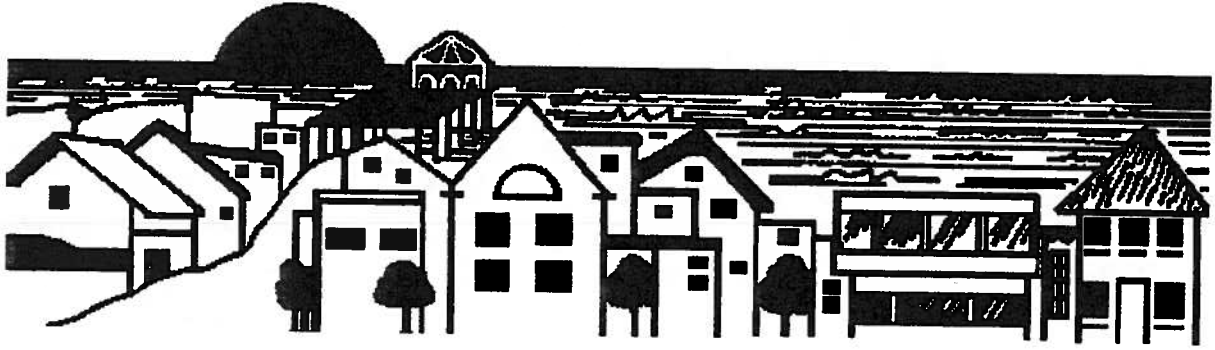
The purpose of the Resolution is to announce the City's intention to renew the BID assessment, outline the activities and services to be funded by the assessment, and to set the date for a formal public hearing (June 19, 2012). The funding for the BID is an assessment in the amount of 80% of the business license tax, not-to-exceed \$600 for any individual business.

On April 18, 2012, the Downtown Manhattan Beach Business Improvement Advisory Board met to discuss the proposed service program and associated budget for fiscal year 2012-2013. At that time, the Board approved various documents, including the FY 2012-2013 program (Exhibit "A"). Subsequently, the Chairperson of the Advisory Board (Ron Koch) submitted the attached letter (Exhibit "B") requesting 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 June 19, 2012. 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 annual assessment will have an opportunity to present information to the City Council.

Exhibits:

- A. Financial reports, minutes, fiscal year 2012-2013 Business Improvement District Plan
- B. Letter from Ron Koch, Chair, BID Advisory Board
- C. Resolution No. 6361



Business Improvement District

DOWNTOWN MANHATTAN BEACH

BID Advisory Board Annual Meeting

321 12th Street, Suite 112

April 18, 2012 9am

Agenda

Part One

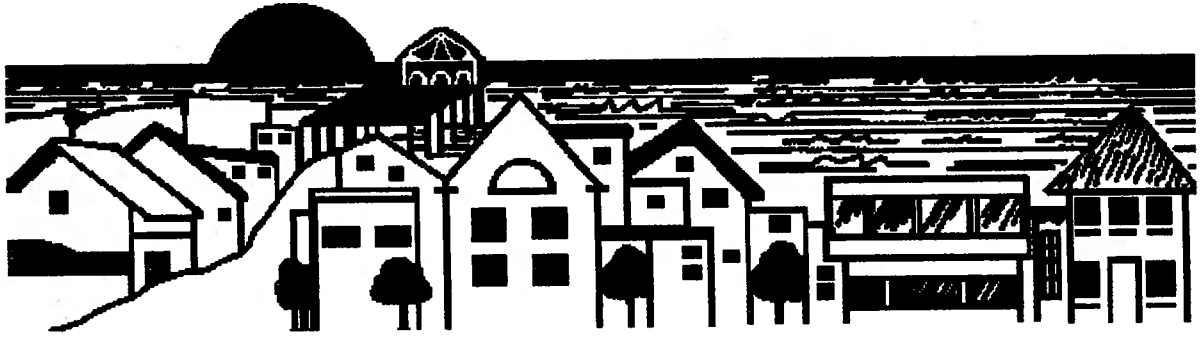
- Strategies & Goals Achieved
- Profit & Loss April 2011-March 2012
- Profit & Loss YTD Comparison
- Farmers Market Profit & Loss YTD Comparison
- Balance Sheet
- 4th Quarter Sales Tax for City of Manhattan Beach
- 4th Quarter Sales Tax for Downtown

Part Two

- Business Improvement Activity Plan 2012
- Strategies & Goals for 2012-2013
- 2012-2013 Proposed Budget
- Farmers Market 2012-2013 Proposed Budget

Part Three

- Approval of the 2012-2013 Plan



Business Improvement District

DOWNTOWN MANHATTAN BEACH

April 18, 2012

Bruce Moe
Finance Director
City of Manhattan Beach
1400 Highland Ave.
Manhattan Beach, CA 90266

Dear Bruce:

Below reflects the 2012-2013 Board of Directors for the Downtown Manhattan Beach BID
(Business Improvement District).

Ron Koch, President - Autorite
Dana McFarland - Wright's & The Beehive
Barbie Falconer - Barbie K
Julie Hantzarides - Old Venice
David Levin - Lulu's
David Arias - Morningside Business
Kevin Barry - MB Post Restaurant
Michael Zislis - Zislis Group - Shade Hotel, Mucho Ultima Mexicana, Rock N' Fish, The Strand House
Maureen McBride - Tabula Rasa Essentials

Sincerely,

Mary Ann Varni
Executive Director
DBPA

2011-2012 Business Improvement & Activity Plan

Strategies & Goals Achieved

Farmer's Market – Every Tuesday 11am-4pm. Summer hours 11-5pm (Memorial Day-Labor Day)

- Trackless Train every Tuesday during the market
- Musical entertainment every week
- Purchased new market umbrellas for customers to sit under while at the market
- Hire special entertainment for kids during anniversary or specific holidays
- Local Chef demonstrations

Advertising

- First Fridays branded as Downtown after Sundown– Each business participating promotes an evening of shopping until 9pm to their customers via email, and if they choose, offer something special (discount, gift with purchase), host a trunk show, music, etc. during the evening. First Fridays is intended to get our community to spend the evening shopping and dining **LOCALLY**.
- Advertise in Beach Reporter each month for First Friday; Sidewalk Sales 3xper year; Holiday Open House, Holidays and, Farmers Market special events.
- Advertise in Easy Reader special Beach issues to promote the Farmers Market or Downtown special events
- Chamber Directory (downtown and farmers market combination)
- Chamber Calendar Sponsor (downtown and farmers market combination)

Special Events Hosted/Sponsored by DBPA

- Sidewalk Sales –April 15-17, 2011, August 19-21, 2011 January 20-22, 2012
- Holiday Open House/Holiday Hunt & Pier Lighting – November 16, 2011
- Farmers Market – Every Tuesday

Special Events DBPA Sponsors

- Catalina Classic Paddleboard Race – August 28, 2011
- Halloween Pumpkin Races – October 30, 2011
- Fireworks Festival – December 11, 2011

Special Events that take place in Downtown (partial list)

- Centennial Taste of Manhattan – March 25, 2011
- 6-Man Volleyball/International Surf Festival – July 30th & 31st, 2011
- Manhattan Open – August 25th-28th, 2011

Community & Parking Programs

- All meters bagged for two weeks during the Holidays in the City
- Valet Parking – Two locations (MB Post & Fonz's) Wednesday-Saturday at Fonz's & Thursday-Saturday at MB Post with some special days added as needed.

Marketing & Promotions

- Web Site – remodeled to look more like our visitor guides and let the visitor feel as if they are in Manhattan Beach when they open the home page. Each business is able to create their own page within our website to highlight their specific promotions and special events.
- Visitor Guides Updated and distributed to hotels, Gateway to L.A.(Ocean Trolley) & select Downtown Los Angeles hotels. Guides were also inserted in the giveaway bags during the Centennial 'Taste of Manhattan' on March 25, 2011
- Outdoor maps in downtown updated November 2011 to reflect new businesses. Total maps = 3
- Building more one on one relationships with concierge in select hotels
- Holiday Décor at the Metlox to draw visitors to Center and create festive environment. Living trees were placed around to promote the season.
- Trackless Train runs at the Metlox to attract kids and families every Tuesday during market hours and select weekends.
- Ocean Express still brings 65,000 visitors each year to downtown

Member Services

- Member e-mail newsletter
 - City Representation
 - Chamber Representation: Chamber Board of Directors, Legislative Advocacy Council, Chamber Committees (Business Development & Marketing)
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Accrual Basis

Downtown MB Business & Professional Association

Profit & Loss

April 2011 through March 2012

Apr '11 - Mar 12

Ordinary Income/Expense	
Income	
ADMIN INCOME	
Revenue-BID Contribution (305)	100,953.06
Revenue-Interest Income (398)	32.22
ADMIN INCOME - Other	1,317.64
Total ADMIN INCOME	102,302.92
ADVERTISING INCOME	
Revenue-Advertising Co-Op	155.00
ADVERTISING INCOME - Other	2,615.85
Total ADVERTISING INCOME	2,770.85
COMMUNITY PROGRAM INCOME	
Farmers Market	
Merchandise	7,208.00
Farmers Market - Other	89,407.24
Total Farmers Market	96,615.24
Total COMMUNITY PROGRAM INCOME	96,615.24
EVENT INCOME	
Revenue-Holiday Open House (312)	2,975.00
EVENT INCOME - Other	1,000.00
Total EVENT INCOME	3,975.00
Other Income	4,315.00
Total Income	209,979.01
Expense	
ADMINISTRATION	
Accounting Fees (505)	387.50
Bank Charges (513)	279.45
Computer Equipment	2.72
Dues (514)	70.00
Furniture	489.33
Gifts	294.54
Insurance Premiums (517)	5,283.47
Meeting Costs (516)	824.93
Parking	370.00
Payroll Expenses	50,273.09
Postage (566)	307.53
Rent	7,500.00
Supplies (506)	817.73
Telephone	3,300.35
ADMINISTRATION - Other	885.78
Total ADMINISTRATION	71,086.42
ADVERTISING PROGRAMS	
Concept & Design	2,470.00
Marketing & Advertising (548)	6,818.06
Printing	779.47
Total ADVERTISING PROGRAMS	10,067.53
COMMUNITY PROGRAMS	
Catalina Classic	54.38
Chamber of Commerce	145.00
Donations (520)	500.00
Farmer's Market	
FM Advertising/Promotions	
Other	1.95
Print Ads, Flyers, Signage	3,835.00
Webiste - FM	1,139.00
FM Advertising/Promotions - Other	1,367.00
Total FM Advertising/Promotions	6,342.95

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Accrual Basis

Downtown MB Business & Professional Association

Profit & Loss

April 2011 through March 2012

Apr '11 - Mar 12

FM Merchandise	4,335.79
FM Operations	
Comps, Gifts & Dinners	1,490.17
Equipment & Supplies	2,825.42
Permits & Licenses	2,733.75
Programs - FM	350.00
Setup	15,860.00
Vendor Promotions	477.15
Total FM Operations	23,736.49
Growing Great	4,141.00
Labor	
Manager	20,090.00
Market assistant	5,246.00
Labor - Other	50.00
Total Labor	25,386.00
Other	100.00
Farmer's Market - Other	0.00
Total Farmer's Market	64,042.23
Fireworks Festival (556)	1,000.00
Metlox (584)	1,808.23
Total COMMUNITY PROGRAMS	67,549.84
EVENTS	
April Sidewalk Sale (550)	3,998.98
August Sidewalk Sale (553)	2,758.91
Halloween Event (541)	1,210.12
Holiday Open House (558)	10,522.62
January Sidewalk Sale (534.1)	3,044.93
Total EVENTS	21,535.56
First Fridays	10,989.44
MARKETING PROGRAMS	
Chamber Brochure	350.00
Directory Brochure (571)	5,388.01
Map/Directory (572)	1,337.50
Ocean Express	8,000.00
Web Site Development (574)	2,050.00
Web Site Fees	260.00
MARKETING PROGRAMS - Other	620.00
Total MARKETING PROGRAMS	18,005.51
MEMBER SERVICES	
Member Mixers	1,244.00
Newsletter (585)	30.00
Total MEMBER SERVICES	1,274.00
Uncategorized Expenses	220.00
Total Expense	200,728.30
Net Ordinary Income	9,250.71
Net Income	9,250.71

Downtown MB Business & Professional Association Profit & Loss Prev Year Comparison April 2011 through March 2012

	Apr '11 - Mar 12	Apr '10 - Mar 11	\$ Change	% Change
Ordinary Income/Expense				
Income				
ADMIN INCOME				
Revenue-BID Contribution (305)	100,953.06	103,355.07	-2,402.01	-2.3%
Revenue-Interest Income (388)	32.22	148.66	-116.46	-78.3%
ADMIN INCOME - Other	1,317.64	467.10	850.54	182.1%
Total ADMIN INCOME	102,302.92	103,970.85	-1,667.93	-1.6%
ADVERTISING INCOME				
Revenue-Advertising Co-Op	155.00	4,311.00	-4,156.00	-96.4%
ADVERTISING INCOME - Other	2,615.85	0.00	2,615.85	100.0%
Total ADVERTISING INCOME	2,770.85	4,311.00	-1,540.15	-35.7%
COMMUNITY PROGRAM INCOME				
Farmers Market				
Merchandise	7,208.00	6,077.00	1,131.00	18.6%
Farmers Market - Other	89,407.24	83,057.00	6,350.24	7.7%
Total Farmers Market	96,615.24	89,134.00	7,481.24	8.4%
Total COMMUNITY PROGRAM INCOME	96,615.24	89,134.00	7,481.24	8.4%
EVENT INCOME				
Revenue-Holiday Open House (312)	2,975.00	3,000.00	-25.00	-0.8%
Spring Open House	0.00	1,900.00	-1,900.00	-100.0%
EVENT INCOME - Other	1,000.00	0.00	1,000.00	100.0%
Total EVENT INCOME	3,975.00	4,900.00	-925.00	-18.9%
Other Income				
Parking Keys	0.00	995.00	-995.00	-100.0%
Other Income - Other	4,315.00	3,600.00	715.00	19.9%
Total Other Income	4,315.00	4,595.00	-280.00	-6.1%
Total Income	209,979.01	209,910.85	3,068.16	1.5%
Expense				
ADMINISTRATION				
Accounting Fees (605)	387.50	611.00	-223.50	-36.6%
Bank Charges (513)	279.45	163.14	116.31	71.3%
Computer Equipment	2.72	96.67	-93.95	-97.2%
Copy Costs (609)	0.00	18.68	-18.68	-100.0%
Dues (514)	70.00	160.00	-90.00	-56.3%
Furniture	489.33	0.00	489.33	100.0%
Gifts	294.54	152.49	142.05	93.2%
Insurance Premiums (517)	5,283.47	6,140.47	-857.00	-14.0%
Meeting Costs (516)	624.93	1,874.44	-1,049.51	-56.0%
Parking	370.00	150.00	220.00	146.7%
Payroll Expenses	50,273.09	48,973.92	299.17	0.6%
Postage (566)	307.53	229.42	78.11	34.1%
Rent	7,500.00	7,150.00	350.00	4.9%
Supplies (508)	817.73	526.54	291.19	55.3%
Telephone	3,300.35	2,552.19	748.16	29.3%
ADMINISTRATION - Other	885.78	703.62	182.16	25.9%
Total ADMINISTRATION	71,086.42	70,504.58	581.84	0.8%
ADVERTISING PROGRAMS				
Concept & Design	2,470.00	5,740.00	-3,270.00	-57.0%
Marketing & Advertising (548)	6,818.06	11,429.00	-4,610.94	-40.3%
Printing	779.47	119.42	660.05	552.7%
ADVERTISING PROGRAMS - Other	0.00	305.00	-305.00	-100.0%
Total ADVERTISING PROGRAMS	10,067.53	17,593.42	-7,525.89	-42.8%

Downtown MB Business & Professional Association Profit & Loss Prey Year Comparison

April 2011 through March 2012

	Apr '11 - Mar 12	Apr '10 - Mar 11	\$ Change	% Change
COMMUNITY PROGRAMS				
Catalina Classic	54.38	822.03	-767.65	-93.4%
Chamber of Commerce	145.00	565.00	-420.00	-74.3%
Donations (620)	500.00	1,000.00	-500.00	-50.0%
Farmer's Market				
FM Advertising/Promotions		65.00	-63.05	-97.0%
Other	1.95	3,691.79	143.21	3.9%
Print Ads, Flyers, Signage	3,835.00	1,079.00	60.00	5.6%
Website - FM	1,139.00	800.00	567.00	70.9%
FM Advertising/Promotions - Other	1,367.00			
Total FM Advertising/Promotions	6,342.95	5,635.79	707.16	12.6%
FM Merchandise	4,335.79	3,956.27	379.52	9.6%
FM Operations				
Comps, Gifts & Dinners	1,490.17	870.42	619.75	71.2%
Equipment & Supplies	2,825.42	796.35	2,029.07	254.8%
Permits & Licenses	2,733.75	1,796.28	937.47	52.2%
Programs - FM	350.00	785.07	-435.07	-55.4%
Setup	15,960.00	17,080.00	-1,220.00	-7.1%
Vendor Promotions	477.15	280.95	216.20	82.9%
Volunteers	0.00	181.83	-181.83	-100.0%
Total FM Operations	23,736.49	21,770.90	1,965.59	9.0%
Growing Great	4,141.00		263.00	6.8%
Labor				
Manager	20,090.00	20,890.00	-800.00	-3.8%
Market assistant	5,246.00	2,269.00	2,977.00	131.2%
Labor - Other	50.00	0.00	50.00	100.0%
Total Labor	25,386.00	23,159.00	2,227.00	9.6%
Other	100.00	1,099.98	-999.98	-90.9%
Farmer's Market - Other	0.00	-399.00	399.00	100.0%
Total Farmer's Market	64,042.23	59,100.94	4,941.29	8.4%
Fireworks Festival (556)	1,000.00	1,000.00	0.00	0.0%
Metbox (584)	1,808.23	656.94	1,151.29	175.3%
Total COMMUNITY PROGRAMS	67,549.84	63,144.91	4,404.93	7.0%
EVENTS				
April Sidewalk Sale (550)	3,988.98	2,307.69	1,681.29	73.3%
August Sidewalk Sale (553)	2,758.91	2,667.85	91.06	3.4%
Halloween Event (541)	1,210.12	250.00	960.12	384.1%
Holiday Open House (556)	10,522.62	9,958.29	564.33	5.7%
January Sidewalk Sale (534.1)	3,044.93	3,107.99	-63.06	-2.0%
Spring Open House	0.00	2,482.27	-2,482.27	-100.0%
Total EVENTS	21,535.56	20,784.09	751.47	3.6%
MARKETING PROGRAMS				
First Fridays	10,989.44	0.00	10,989.44	100.0%
Chamber Brochure	350.00	275.00	75.00	27.3%
Directory Brochure (571)	5,388.01	450.00	4,938.01	1,087.3%
Map/Directory (572)	1,337.50	0.00	1,337.50	100.0%
Ocean Express	6,000.00	7,073.13	-926.87	13.1%
Web Site Development (574)	2,050.00	0.00	2,050.00	100.0%
Web Site Fees	260.00	1,146.00	-889.00	-77.4%
MARKETING PROGRAMS - Other	820.00	0.00	820.00	100.0%
Total MARKETING PROGRAMS	18,005.51	8,947.13	9,058.38	101.2%
MEMBER SERVICES				
Member Mixers	1,244.00	120.00	1,124.00	936.7%
Newsletter (585)	30.00	135.00	-105.00	-77.8%

Downtown MB Business & Professional Association Profit & Loss Prev Year Comparison April 2011 through March 2012

	Apr '11 - Mar 12	Apr '10 - Mar 11	\$ Change	% Change
Total MEMBER SERVICES	1,274.00	255.00	1,019.00	399.6%
Uncategorized Expenses	220.00	76.43	143.57	187.9%
Total Expense	200,728.30	181,305.56	19,422.74	10.7%
Net Ordinary Income	9,250.71	25,605.29	-16,354.58	-63.9%
Net Income	9,250.71	25,605.29	-16,354.58	-63.9%

Downtown MB Business & Professional Association Profit & Loss Prev Year Comparison April 2011 through March 2012

	Apr '11 - Mar 12	Apr '10 - Mar 11	\$ Change	% Change
Ordinary Income/Expense				
Income				
COMMUNITY PROGRAM INCOME				
Farmers Market	7,208.00	6,077.00	1,131.00	18.6%
Merchandise	89,407.24	83,057.00	6,350.24	7.7%
Farmers Market - Other				
Total Farmers Market	96,615.24	89,134.00	7,481.24	8.4%
Total COMMUNITY PROGRAM INCOME	96,615.24	89,134.00	7,481.24	8.4%
Total Income	96,615.24	89,134.00	7,481.24	8.4%
Expense				
COMMUNITY PROGRAMS				
Farmers Market				
FM Advertising/Promotions				
Other	1.95	65.00	-63.05	-97.0%
Print Ads, Flyers, Signage	3,835.00	3,691.79	143.21	3.9%
Webiste - FM	1,139.00	1,079.00	60.00	5.6%
FM Advertising/Promotions - Other	1,367.00	800.00	567.00	70.9%
Total FM Advertising/Promotions	6,342.95	5,635.79	707.16	12.6%
FM Merchandise	4,335.79	3,956.27	379.52	9.6%
FM Operations				
Comps, Gifts & Dinners	1,490.17	870.42	619.75	71.2%
Equipment & Supplies	2,825.42	796.35	2,029.07	254.8%
Permits & Licenses	2,733.75	1,796.28	937.47	52.2%
Programs - FM	360.00	785.07	-435.07	-55.4%
Setup	15,860.00	17,080.00	-1,220.00	-7.1%
Vendor Promotions	477.15	260.95	216.20	82.9%
Volunteers	0.00	181.83	-181.83	-100.0%
Total FM Operations	23,736.49	21,770.90	1,965.59	9.0%
Total COMMUNITY PROGRAMS	28,078.74	26,463.96	1,614.78	6.1%
Growing Great	4,141.00	3,878.00	263.00	6.8%
Labor				
Manager	20,090.00	20,890.00	-800.00	-3.8%
Market assistant	5,246.00	2,268.00	2,977.00	131.2%
Labor - Other	50.00	0.00	50.00	100.0%
Total Labor	25,386.00	23,159.00	2,227.00	9.6%
Other	100.00	1,099.98	-999.98	-90.9%
Farmer's Market - Other	0.00	-399.00	399.00	100.0%
Total Farmer's Market	64,042.23	59,100.94	4,941.29	8.4%
Total COMMUNITY PROGRAMS	64,042.23	59,100.94	4,941.29	8.4%
Total Expense	64,042.23	59,100.94	4,941.29	8.4%
Net Ordinary Income	32,573.01	30,033.06	2,539.95	8.5%
Net Income	32,573.01	30,033.06	2,539.95	8.5%

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Accrual Basis

Downtown MB Business & Professional Association
Balance Sheet
As of March 31, 2012

	<u>Mar 31, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
Jimmy Hantzarides Memorial	571.10
Petty Cash (105)	823.40
WM DBPA Checking (107)	4,889.88
WM FM DBPA Checking (108)	12,044.96
WM MM BID Savings (106)	65,433.87
WM MM DBPA Savings (110)	10,801.03
Total Checking/Savings	<u>94,564.24</u>
Total Current Assets	94,564.24
Fixed Assets	
Computer Equipment	2,498.65
Total Fixed Assets	<u>2,498.65</u>
TOTAL ASSETS	<u>97,062.89</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Cleanstreet Payable	1,840.00
Payroll Liabilities	1,764.47
Total Other Current Liabilities	<u>3,604.47</u>
Total Current Liabilities	<u>3,604.47</u>
Total Liabilities	3,604.47
Equity	
Retained Earnings	84,207.71
Net Income	9,250.71
Total Equity	<u>93,458.42</u>
TOTAL LIABILITIES & EQUITY	<u>97,062.89</u>

Q4



Manhattan Beach Sales Tax Update

First Quarter Receipts for Fourth Quarter Sales (October - December 2011)

Manhattan Beach In Brief

Receipts for Manhattan Beach's October through December sales were 12.2% higher than the same quarter one year ago. Actual sales activity was up 11.2% when reporting aberrations were factored out.

General consumer goods posted increases from multiple categories, including, women's and family apparel, specialty stores, sporting goods, and electronics. Higher prices at the pump helped boost receipts from fuel and service stations.

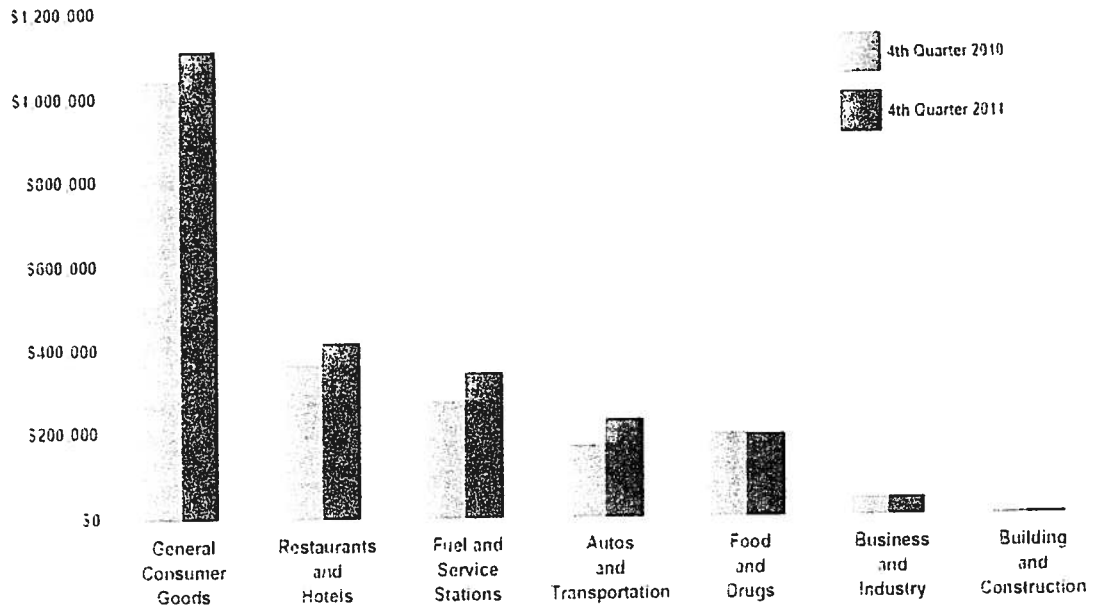
Autos and transportation benefited from the addition of a new business; however, a reporting error inflated the gain. Receipts from the restaurant group were up overall despite a missing payment from restaurants without alcohol.

Results from the food and drugs group were temporarily depressed by a double payment that inflated the comparison quarter for grocery stores with liquor.

A 19.8% increase in the city's share of the countywide use tax pool allocation also contributed to the overall gain.

Adjusted for aberrations, taxable sales for all of Los Angeles County increased 6.9% over the comparable time period, while the Southern California region as a whole was up

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS In Alphabetical Order

Apple Store	Old Navy
Arco	Olive Garden
AT&T Mobility	Pottery Barn
Barnes & Noble	Power Pre Owned Auto Center
BevMo	Ralphs
California Pizza Kitchen	REI
Chevron	Sephora
CVS Pharmacy	Skechers
Dewitt Petroleum	Strand House Standbar
Frys Electronics	Target
Houston's	Trader Joes
Macys	Vons
Manhattan Beach	
Toyota Scion	

REVENUE COMPARISON

Three Quarters - Fiscal Year To Date

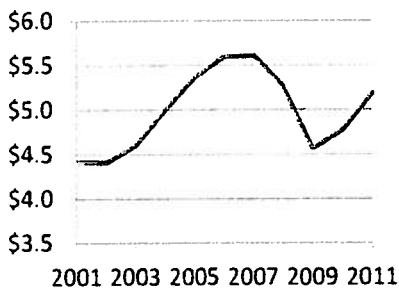
	2010-11	2011-12
Point-of-Sale	\$5,855,108	\$6,468,683
County Pool	651,896	722,003
State Pool	2,966	1,054
Gross Receipts	\$6,509,970	\$7,191,740
Less Triple Flip*	\$(1,627,492)	\$(1,797,935)

*Reimbursed from county compensation fund

California Overall

Retail sales in the final quarter of 2011, excluding onetime reporting aberrations, were up 7.8% compared to the same period in 2010. Strong 4th quarter sales brought statewide calendar year 2011 within 7.25% of the pre-recession peak reached in 2006. At their 2009 low point, retail sales were 18.6% below their 2006 highs.

CA Local Sales Tax Receipts in \$Billions



To close the remaining gap, annual retail sales need to grow by \$40.5 billion, a daunting task with high unemployment and weak housing markets still hindering growth. Retail sales have risen on strong demand for new autos, increased consumer spending, significant use tax receipts from alternative energy projects and federal stimulus funded infrastructure projects. However, rising fuel costs and continued economic uncertainties are expected to slow the rate of growth in the second half of this year.

Retailers downsizing ... creating new opportunities and challenges

A recent survey concluded that 53% of the U.S. population has made an online purchase and that 7% of all retail sales are now done over the Internet. With mobile and tablet shopping capabilities making online purchases ever easier, Internet market share is expected to hit 9% by 2016.

The ease of online research has sharpened price competition and brick and mortar retailers are racing to accommodate the new consumer patterns by focusing on enhancing the shopping experience. This includes the development of more intimate shopping environments, use of social media to reach buyers, higher levels of customer service, specialized merchandise that cannot be purchased elsewhere and expanding the selection of goods offered with in-store kiosks supplemented with timely deliveries.

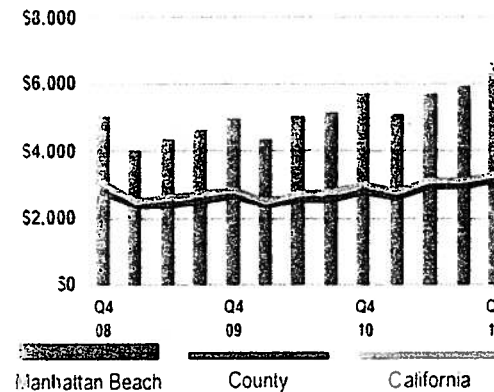
To cut overhead and compete on price, more retailers are going to the "endless aisle" concept of selling items not actually in the store. This allows the retailer to increase product variety in a smaller space.

Almost every major retailer has plans for either downsizing the footprint of new stores or subleasing space in existing stores.

On the plus side, this trend allows entrance into retail markets too

small for large format stores to be feasible. Less populous communities could find their retail bases growing with new compact stores offering the same or more merchandise as their larger counterparts. Communities with substantial existing retail could see new challenges in filling vacated space while also keeping up with the need for more inviting shopping environments.

SALES PER CAPITA



MANHATTAN BEACH TOP 15 BUSINESS TYPES

Business Type	Manhattan Beach		County	HdL State
	Q4 '11*	Change	Change	Change
Department Stores	— CONFIDENTIAL —	—	3.6%	2.9%
Discount Dept Stores	— CONFIDENTIAL —	—	4.5%	4.1%
Electronics/Appliance Stores	330.3	3.5%	5.4%	4.0%
Family Apparel	91.3	24.9%	13.0%	10.6%
Grocery Stores Liquor	37.4	-9.6%	-6.3%	-1.2%
New Motor Vehicle Dealers	— CONFIDENTIAL —	—	17.8%	15.5%
Petroleum Prod/Equipment	— CONFIDENTIAL —	—	36.7%	31.0%
Restaurants Beer And Wine	77.3	1.9%	0.7%	-0.4%
Restaurants Liquor	232.4	28.2%	8.2%	9.9%
Restaurants No Alcohol	71.5	-5.3%	7.0%	7.3%
Service Stations	38.3	27.2%	12.6%	14.7%
Specialty Stores	36.0	4.4%	1.6%	2.1%
Sporting Goods/Bike Stores	30.5	4.7%	11.5%	7.1%
Used Automotive Dealers	53.4	502.3%	4.2%	11.6%
Women's Apparel	78.9	12.7%	3.5%	6.3%
Total All Accounts	\$2,339.0	11.4%	6.5%	7.8%
County & State Pool Allocation	267.7	19.6%		
Gross Receipts	\$2,606.6	12.2%		<i>in thousands</i>

CITY OF MANHATTAN BEACH
Sales Tax Revenue: Downtown
Adjusted for Economic Data

Calendar Year	Quarter 1: Jan - Mar		Yr over Yr Change
	Sales Tax Revenue	Yr over Yr Change	
2001	\$150,379	-	-
2002	158,896	5.66%	5.66%
2003	146,658	(7.70%)	(7.70%)
2004	166,458	13.50%	13.50%
2005	190,974	14.73%	14.73%
2006	219,546	14.96%	14.96%
2007	218,064	(0.68%)	(0.68%)
2008	202,138	(7.30%)	(7.30%)
2009	165,891	(17.93%)	(17.93%)
2010	191,230	15.27%	15.27%
2011	189,843	(0.73%)	(0.73%)

Calendar Year	Quarter 2: Apr - Jun		Yr over Yr Change
	Sales Tax Revenue	Yr over Yr Change	
2001	\$157,546	-	-
2002	150,997	(4.16%)	(4.16%)
2003	183,353	21.43%	21.43%
2004	211,255	15.22%	15.22%
2005	213,984	1.29%	1.29%
2006	218,939	2.32%	2.32%
2007	201,862	(7.80%)	(7.80%)
2008	219,442	8.71%	8.71%
2009	194,036	(11.56%)	(11.56%)
2010	211,382	8.94%	8.94%
2011	219,538	3.86%	3.86%

Calendar Year	Quarter 3: Jul - Sep		Yr over Yr Change
	Sales Tax Revenue	Yr over Yr Change	
2001	\$180,895	-	-
2002	189,640	4.83%	4.83%
2003	188,095	(0.81%)	(0.81%)
2004	172,077	(8.52%)	(8.52%)
2005	216,155	25.62%	25.62%
2006	245,839	13.73%	13.73%
2007	225,842	(8.13%)	(8.13%)
2008	223,867	(0.87%)	(0.87%)
2009	211,886	(5.35%)	(5.35%)
2010	218,409	3.08%	3.08%
2011	235,992	8.05%	8.05%

Calendar Year	Quarter 4: Oct - Dec		Yr over Yr Change
	Sales Tax Revenue	Yr over Yr Change	
2001	\$158,756	-	-
2002	189,275	19.22%	19.22%
2003	190,610	0.71%	0.71%
2004	209,847	10.09%	10.09%
2005	201,536	(3.96%)	(3.96%)
2006	200,605	(0.46%)	(0.46%)
2007	227,690	13.50%	13.50%
2008	189,457	(16.79%)	(16.79%)
2009	196,609	3.77%	3.77%
2010	204,217	3.87%	3.87%
2011	232,674	13.93%	13.93%

Calendar Year	Full Year		Yr over Yr Change
	Sales Tax Revenue	Yr over Yr Change	
2001	\$647,576	-	-
2002	688,808	6.37%	6.37%
2003	708,716	2.89%	2.89%
2004	759,637	7.18%	7.18%
2005	822,649	8.30%	8.30%
2006	884,929	7.57%	7.57%
2007	873,458	(1.30%)	(1.30%)
2008	834,904	(4.41%)	(4.41%)
2009	768,422	(7.96%)	(7.96%)
2010	825,238	7.39%	7.39%
2011	878,047	6.40%	6.40%



Business Improvement District
DOWNTOWN MANHATTAN BEACH



DOWNTOWN MANHATTAN BEACH BUSINESS IMPROVEMENT DISTRICT

Business Improvement & Activity Plan March 2012

*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 and 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).

Members of the Advisory Board can be nominated by business owners that are assessed within the BID, and, per State law, appointed by the Manhattan Beach City Council.

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, banners throughout the area,

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 & ACTIVITY PLAN

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. **Parking, Transportation & Community Programs**

- Continue working with the City & PPIC to promote Downtown parking alternatives for both merchants and customers. Form parking committee to ensure that downtown parking is both convenient and reasonable for customers
- Work with the City and MBPD to ensure the taxi cabs use the two designated cab stands in downtown and stop taking up customer parking along MB Blvd. west of Manhattan Ave.
- Maintain the valet parking service.
- Continue to work in supporting the **Ocean Express Shuttle Service**.
- Continue promoting and supporting the weekly **Farmers' Market** in Downtown Manhattan Beach
- Support non-profit organizations that benefit the community through proceeds from the Farmers' Market and other events.
- Continue to work with the Public Works Department to support the CART Trash & Recycling Programs for Downtown businesses and Waste Management on programs they offer that benefit our businesses and environmental goals.
- Continue to support the Fireworks Festival, Catalina Classic, and in-kind donations when appropriate.
- Work with the City & Public Works Department to improve the Downtown curb appeal through signage, flowers, etc.

B. **Marketing & Advertising**

Continue to promote our downtown as a special place with quaint shops, dining & services. Downtown is the heart & soul of our City and our community needs to be reminded that our charm comes through independent business owners offering unique merchandise and personal service.

- Continue & expand the Downtown marketing/advertising campaign to promote the Downtown as a whole especially within our community and to visitors.
- Keep visitor guides fresh to reflect the changes that have occurred in downtown. Continue to reach out and invite concierge in surrounding hotels & key hotels throughout Los Angeles to spend a day in downtown and experience firsthand why our town is a destination.
- Continue to work with the City to update the permanent Way-Finding directories/maps & install a directory in the Metlox
- Utilize social media to promote downtown (i.e. facebook)

- Continue to negotiate and make available cooperative advertising opportunities.
- 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.

C. Promotions & Special Events.

- Sponsor the “**Sidewalk Sales**” to promote Downtown merchants.
- Continue to sponsor the pumpkin races.
- Host the “**Holiday Open House/Holiday Hunt** together with the **Pier Lighting** to kick-off to the holiday shopping season and spirit of the season.
- Continue working with the City on voicing policy and planning recommendations regarding other area events and in particular the use of the **Metlox, 13th Street & Civic Plaza** areas.
- 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 event vs. experiencing discouraging sales on such days.

D. Professional Management & Communications

- Maintain professional management to ensure this cohesive Business Improvement and Activity Plan is implemented and continued.
- Continue emailed newsletter.
- As a Board, reach out to new businesses to make them feel welcome and invite their participation in our efforts as an Association to keep downtown thriving.
- Provide representation to help mitigate traffic, construction and parking issues.
- Stay active on Chamber committees including business development division & marketing
- Hold quarterly focus groups for downtown members to help address opportunities and challenges for small business
- Recruit participation of local business to attend & participate at the DBPA Board meetings as well as sit on a small committee to accomplish the following:
 - Control over how our own parking should continue to meet our needs.
 - streetscape & landscape refresh
 - Research and recruit a more diverse mix of businesses in downtown that compliment and support current businesses.
- Continue informing members of important issues affecting their businesses.
- Continue to inform businesses through the Crime Alert bulletins.
- Increase public relations opportunities for promoting the Downtown.

- Meet with BID Board quarterly or as often as needed to strengthen communication with DBPA & its Board.

BUSINESS IMPROVEMENT & ACTIVITY PLAN BUDGET

I. EXPENSES

A. 2011-2012 Operating Budget

The 2011-2012 operating budget breakdowns of expenses for the Downtown Manhattan Beach BID are provided below. The total improvement and activity plan budget is projected at \$208,175.00 with the following components:

- **Parking, Transportation, Beautification & Community Programs:**
\$76,750 is provided which accounts for approximately 37% of the budget.

(This number is comprised of expenses under the Community Relations on the DBPA 2012-2013 Proposed Budget.)

- **Marketing & Advertising:**
\$36,175.00 is provided which accounts for 17% of the budget.

(This number is comprised of the expenses under the Marketing & Promotions heading on the DBPA 2012-2013 Proposed Budget.)

- **Promotions & Special Events:**
\$19,250 is provided which accounts for 9% of the budget.

(This number is solely comprised of the Special Events heading on the DBPA 2012-2013 Proposed Budget.)

- **Professional Mgt., Rent, Supplies, Insurance & Communications:**
\$78,000 is provided which accounts for 37% of the budget.

(This number is solely comprised of the Administration heading on the DBPA 2012-2013 Proposed Budget.)

II. INCOME

A. 2012-2013 Operating Budget

The 2012-2013 operating budget breakdown of income for the Downtown Manhattan Beach BID is provided in the following. The total improvement and activity plan budget is projected at approximately \$210,073.06 with the following components:

- **Assessments**

\$101,073.06 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.

- **Interest Income**

\$120.00

- **DBPA CONTRIBUTION**

\$34,000 will be generated through the Farmers Market & trackless train.

III. FISCAL YEAR

- Retained earnings for the fiscal year are \$84,207.71. Net income is \$9250.71.

XXX

Strategies & Goals Ongoing/Not Complete

2012-2013

- **Farmers Market** – Tuesdays, 11am – 4pm Summer Hours 11am-5pm (Memorial-Labor Day)
 - Quarterly Chef demonstrations
 - Community outreach to Dial A Ride, schools
 - Update signage, order more t-shirts and re-usable bags with logo
 - Maintain good mix of farmers, vendors & products to attract more customers
 - Continue trackless train during the market hours for kids to enjoy
- **Parking & Community Programs**
 - Continue to encourage meter bagging during the Holidays. Request at least the same 2 week period as done in 2011, if not longer.
 - Push to have hours extended on the street meters to 3 hours (6pm-9pm) for the dinner crowd. Work with PPIC, MBPD & City to achieve this goal without incurring a tremendous cost.
 - Take control of the parking to meet the downtown business needs.
- **Marketing & Promotions**
 - Continue to attract people to Metlox with seasonal décor (\$'s or sponsorships permitting)
 - Hold the Holiday Hunt the evening of the Holiday Open House/Pier Lighting to make the event family friendly, interactive and drive traffic to the stores.
 - Tie into Centennial events to get maximum exposure and foot traffic into downtown and our businesses. Events include: July 7th - Downtown Open House & Pier Event;
 - Continue Trackless Train on Tuesdays during the Farmers Market & weekends in December (pending availability). Book for other weekends as deemed beneficial and if approved by the tenants.
 - Chamber Directory (small branding ad)
 - Contribute to Ocean Express Trolley –contribution totals \$8000 for 2012. Work with appropriate person with the trolley to develop more of a partnership with them, the hotels therefore offering something to the visitors to keep them spending in downtown.
 - Develop a quarterly event that will drive locals to downtown to spend and support the local economy

- Continue to promote events in the Beach Reporter and utilize the Easy Reader on a regular basis as well. Reduce the ad sizes for regular yearly events (sidewalk sales, holiday open house)
 - Continue to build relationships with hotel concierge throughout Los Angeles. Invite them to spend the night, greet them with a welcome basket and treat them to an experience in downtown that they will promote as a destination to their own guests.
 - Communicate to community the importance of supporting the independent businesses each month in order to preserve the charm and unique fabric of our downtown.
 - Encourage downtown businesses to sign up for an exhibitor's table during the Farmers Market to promote their local business.
-
- **Member Services**
 - Member e-mail newsletter
 - City Representation
 - Chamber Representation: Chamber Board of Directors, Legislative Advocacy Council, Holiday Decorations
 - Chamber Committee involvement includes: Business Development & Marketing
-
- **DBPA Membership – 2012/2013 Closings/Opening/Moving**
 - **Store Closings:** Maison Luxe, Tea Exchange, Sun and Moon Café, Cisco Home, Magpie (July 2012)
 - **Restaurant/Store Openings:** The Strand House (formerly Beaches), Aviator Nation, Shorefit Fitness Boutique, Chique, Nikau Kau Stand Up Paddling
 - **Business Openings:** Zislis Group, Dealer.com
 - **Coming Soon:** Lemonade, Bank of Manhattan, Leafy Greens Salad Bar

2012-2013 Proposed Budget

18-Apr-12 R. 2

General Administration

	INCOME	EXPENSES	NET FUNDS
BID Contribution	100,953.06		100,953.06
Interest income	120.00		120.00
Operating Expenses		78,000.00	(78,000.00)
SUBTOTAL	101,073.06	78,000.00	23,073.06

Other Income

A 1 Promotions/Train	5,000.00		
SUBTOTAL	5,000.00	-	-

Special Events

Halloween Trick or Treat		1,250.00	(1,250.00)
Holiday Open House	4,000.00	9,000.00	(5,000.00)
January Sidewalk Sale		2,000.00	(2,000.00)
April Sidewalk Sale		2,000.00	(2,000.00)
August Sidewalk Sale		2,000.00	(2,000.00)
Local Campaign		3,000.00	(3,000.00)
SUBTOTAL	4,000.00	19,250.00	(15,250.00)

Community Relations

Holiday Lights		500.00	(500.00)
Donations/Catalina/Dig 4 Kids		750.00	(750.00)
Fireworks Festival		500.00	(500.00)
Farmers' Market	100,000.00	71,000.00	29,000.00
Community/Downtown Programs		2,500.00	(2,500.00)
SUBTOTAL	100,000.00	75,250.00	24,750.00

Marketing & Promotion

Advertising		12,000.00	(12,000.00)
Chamber Calendar		900.00	(900.00)
Mother's Day		1,000.00	(1,000.00)
Father's Day		1,000.00	(1,000.00)
Chamber Directory		675.00	(675.00)
New Banners		1,200.00	(1,200.00)
Visitor's Guide Brochure		5,000.00	(5,000.00)
Conciege Program		2,500.00	(2,500.00)
Downtown Maps/Directory		1,000.00	(1,000.00)
Ocean Express		8,000.00	(8,000.00)
Social Media		1,000.00	(1,000.00)
Holiday Décor/Metlox		1,000.00	(1,000.00)
Website (maintenance)		900.00	(900.00)
SUBTOTAL	-	36,175.00	(36,175.00)

TOTAL

210,073.06	208,675.00	1,398.06	-
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**MB Farmers Market
2012-2013 Proposed Budget**

Account	Annual	Quarterly	Weekly	Note
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Income

Market	\$93,000			
Merchandise	\$7,000			
Total:	\$100,000			

Expenses

Permits

CFM Certificate	\$467			Yearly. Jan thru Dec.
Temp. Event Health Permit	\$440			Yearly. Jan thru Dec. +5% compared to prior year.
CFM Health Permit	\$350			Yearly. July thru June. +5% compared to prior year.
CDFA Fee	\$600	\$150		Quarterly.
Cal Fed. Of CFM Dues	\$50			
MB business license	\$212			
Total Permits:	\$2,119			

Labor

Market Manager	\$21,290			\$400 38 wks @ \$400 + 14 wks @ \$435
Mkt Assist	\$4,800			\$12/hour
Set up	\$16,000			38 wks @ \$290 (winter) + 14 wks @ \$350 (summer)
Total Labor:	\$42,090			

Supplies	\$2,500			
Parking	\$330			Cash Key & Permit for Metlox
Insurance	\$1,500			
Volunteers	\$250			Dinners, bdays, T-shirts, etc.
Programs/Entertainment	\$2,200			
Merchandise	\$5,201			Assumes 3 to 4 basket orders / yr @ \$550 ea. T-shirts, totes, aprons @
Total:	\$11,981			

Advertising

Banner Hanging	\$810	\$810/\$407*		\$810 for Sepulveda/\$407 DMB
New Flyers/Utility Bill Insert, Print	\$3,700			25,000 flyers (tax & shipping add'l)
Advertising/Promotions	\$4,000			
Website	\$1,200			
	\$9,710			

FM Operations

Comps/Gifts & Dinners	\$800			
Vendor Promotions	\$300			
Donation - Growing Great	\$4,000	\$1,000		5% of sales each quarter
Total:	\$71,000			

Profit/Loss: \$29,000



Business Improvement District

DOWNTOWN MANHATTAN BEACH

May 15, 2012

Mayor Wayne Powell
Members of City Council
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

Re: Downtown BID Fund Renewal

Dear Mayor Powell and Members of City Council:

The Downtown Business Improvement District (BID) Advisory Board met on April 18, 2012 with a quorum present. Upon reviewing the 2011-2012 year end progress report and the 2012-2013 projected Business Improvement District Activity Plan and Budget, the Board is requesting the City Council approve the Resolution of Intent.

Sincerely,

BID ADVISORY BOARD

Ronald Koch
BID Board Chairman

RESOLUTION NO. 6361

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 DOWNTOWN 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, A business improvement district (BID) is a defined area within which businesses pay an assessment in order to fund services and improvements within the district's boundaries to specially benefit the assessed businesses; and

WHEREAS, BIDs provide services, such as cleaning streets, providing security, making capital improvements, construction of pedestrian and streetscape enhancements, and marketing the area; and

WHEREAS, The services provided by BIDs supplement those already provided by the municipality to attract customers to the assessed businesses; and

WHEREAS, this City Council has previously formed a Property and Business Improvement District in Downtown 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 Downtown Manhattan Beach Business Improvement District Advisory Board met on April 18, 2012 and supported the proposed operating program and budget of the Downtown Business Improvement District for FY 2012-13; 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 Downtown 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 Downtown Manhattan Beach Business Improvement District (herein referred to as District).

Section 3. The exterior boundaries of said District are all operating businesses within the general area bounded by the Southwest corner of 15th Street and Ocean Drive, the Southwest corner of 8th Street and Ocean Drive, the Southeast corner of 8th Street and Valley Drive, and the Northeast corner of 15th Street and Valley Drive. The specific legal description is as follows:

Beginning at the intersection of the southerly line of 15th Street with the westerly line of Highland Avenue; thence southerly along said westerly line of Highland Avenue to the southerly line of 13th Place; thence easterly along the prolongation of said southerly line of 13th Place; which prolongation is the southerly line of Tract 2541, to the westerly line of Valley Drive; thence southerly along said westerly line of Valley Drive to the northerly line of 10th Place; thence westerly along said northerly line of 10th Place to the easterly line of Morningside Drive; thence northerly along said easterly line of Morningside Drive to the southerly line of 11th Place; thence westerly along said southerly line of 11th Place to the westerly line of Crest Drive thence southerly along said westerly line of Crest Drive to the northerly line of 11th Street; thence westerly along said northerly line of 11th Street to the westerly line of Bayview Drive; thence southerly along said westerly line of Bayview Drive to the northerly line of 8th Street; thence westerly along said northerly line of 8th Street to the southwest corner of Lot 10, Block 9 Manhattan Beach Tract; thence northerly to the southwest corner of Lot 10, Block 12 Manhattan Beach Tract, said corner being on the northerly line of 11th Street; thence westerly along said northerly line of 11th Street to the easterly line of Ocean Drive; thence northerly along said easterly line of Ocean Drive to the northerly line of Center Place; thence easterly along said northerly line of Center Place to the southwest corner of Lot 15, Block 13 Manhattan Beach Division No. 2; thence northerly to the northerly line of 12th Street; thence easterly along said northerly line of 12th Street to the southwest corner of Lot 11, Block 14, Manhattan Beach Division No. 2; thence northerly to the southerly line of 13th Street; thence easterly along said southerly line of 13th Street to the easterly line of Manhattan Avenue; thence southerly along said easterly line of Manhattan Avenue to the northerly line of 12th Street; thence easterly along said northerly line of 12th Street to the southwest corner of Lot 10, Block 65, Manhattan Beach Division No. 2; thence northerly to the northwest corner of Lot 13, Block 65, Manhattan Beach Division No. 2; thence northerly to the southwest corner of Lot 10, Block 64, Manhattan Beach Division No. 2; thence northerly to the northwest corner of said Lot 10; thence northwesterly to the southwest corner of Lot 34, Verano Beach Tract; thence northerly to the northwest corner of Lot 2 Verano Beach Tract, said corner being on the southerly line of 15th Street; thence easterly along the southerly line of 15th Street to the point of beginning.

A map identifying the specific, legal boundary for the Manhattan Beach Downtown Business Improvement District is available for review in the Office of the Finance Director.

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 Manhattan Beach Downtown Business Improvement District shall be a surcharge of 80% on the business license tax, not to exceed \$600.00 per business license.

Section 6. The funds generated by the business license surcharge shall be used 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 Manhattan Beach Downtown Business Improvement District on June 19, 2012 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. This resolution shall take effect immediately upon adoption.

Section 10. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 15th day of May, 2012.

Ayes:
Noes:
Absent:
Abstain:

WAYNE POWELL
Mayor, City of Manhattan Beach, California

ATTEST:

LIZA TAMURA
City Clerk

APPROVED AS TO FORM:



ROXANNE M. DIAZ
City Attorney