



Agenda Item #: \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Wilson and Members of the City Council

**THROUGH:** Geoff Dolan, City Manager

**FROM:** Bruce Moe, Finance Director

**DATE:** January 4, 2005

**SUBJECT:** Adoption of an Ordinance Dissolving the Existing North End Business Improvement District (BID) and Creating a New Broader Scoped North End BID

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**RECOMMENDATION:**

Staff recommends that the City Council adopt Ordinance No. 2071 dissolving the existing North End Business Improvement District (BID) and creating a new, broader scoped BID in the North End.

**FISCAL IMPLICATION:**

Adoption of this ordinance will reserve the existing North End BID funds (approximately \$388,000) for use by the new BID. Expenditure of these funds is subject to appropriation and approval by the City Council.

**BACKGROUND:**

The City Council introduced Ordinance No. 2071 at the December 21<sup>st</sup> Council meeting. In order for it to take effect, the Council must now adopt the ordinance.

**DISCUSSION:**

Ordinance No. 2071 will complete the process of dissolving the existing business improvement district, which is limited to parking acquisition and construction, and creating a new, more broadly scoped BID which can be used for such activities as promotions, marketing, signage, banners, etc. The ordinance will take effect thirty days after adoption.

Attachment: A. Ordinance No. 2071

ORDINANCE NO. 2071

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, DISSOLVING THE EXISTING NORTH END BUSINESS IMPROVEMENT DISTRICT FORMED PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1965 AND ESTABLISHING A NEW NORTH END BUSINESS IMPROVEMENT DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989

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 City Council hereby makes the following findings:

- A. Manhattan Beach has a business district known as the North End as described in Section 4 below; and
- B. The owners of the North End businesses would like to sponsor services and activities which will promote the North End area for the general benefit of all North End businesses; and
- C. A mechanism is required for the North End businesses to fund these services and activities; and
- D. A majority of the businesses owners within the North End area support the establishment of a North End Business Improvement District as a mechanism to tax themselves to support activities that benefit their businesses; and
- E. The existing North End Parking & Business Improvement District was created pursuant to the Parking & Business Improvement Area Law of 1965 which is restrictive with respect to the use of funds; and
- F. The new Business Improvement District is now subject to a more recent legislation, The Parking and Business Improvement Area Law of 1989. This legislation is much more flexible and will allow the business owners to utilize the funds for a broader range of services and activities that will promote and enhance the North End of Manhattan Beach.
- G. A public hearing was held at 6:30 PM in the City Council Chambers of the City of Manhattan Beach on January 6, 2004 for the purposes of dissolving the 1965 Act Business Improvement District and establishing a new 1989 Act Business Improvement District. Resolution No. 5875, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA ANNOUNCING ITS INTENTION TO DISESTABLISH THE EXISTING NORTH END BUSINESS IMPROVEMENT DISTRICT AND CREATE A NEW NORTH END BUSINESS IMPROVEMENT DISTRICT, DETERMINE ASSESSMENT METHODOLOGY AND FORMULA, IDENTIFY IMPROVEMENTS AND ACTIVITIES TO BE FUNDED, AND SET THE DATE FOR A PUBLIC HEARING" was adopted by the City Council on that date after determining that insufficient protests were received for both actions.
- H. This action is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15061(b)(3) and 15320(a) in that the action will not have an impact on the environment and consists only in establishing a district.

SECTION 2. The North End Business Improvement District is proposed to be amended pursuant to Streets and Highways Code Section 36500 et. seq. (SB 1424 - Parking & Business Improvement Law of 1989, Chapter 2).

SECTION 3. The new Business Improvement District shall be known as the North End Business Improvement District (herein referred to as District).

SECTION 4. The said new District physical boundaries shall be along Highland Avenue from 45<sup>th</sup> Street to the North and to 32<sup>nd</sup> 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 Manhattan Beach North End Business Improvement District is available for review in the Office of the City Clerk.

SECTION 5. All businesses within the boundaries of said District as described herein are subject to the provisions of the additional assessment imposed by this ordinance which will be levied annually to pay for all improvements and activities within the District. Said businesses shall also be subject to amendments to the State Statute as they are enacted.

SECTION 6. The assessment methodology for funding the services and activities of the North End Business Improvement District shall be a surcharge of 80% on the business license tax, not to exceed \$500.00 per business license. The assessments will be collected contemporaneously with the business license tax.

SECTION 7. The funds generated by the business license surcharge shall be used for the following improvements and activities:

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

SECTION 8. The City Council shall upon the adoption of this Ordinance dissolve the existing North End Parking & Business Improvement District that was created pursuant to the Parking & Business Improvement Area Law of 1965. All remaining assets of the existing North End Parking & Business Improvement District shall remain in the Parking Facilities Fund with the provision that the funds may only be used for the activities of the new BID, subject to Council approval.

SECTION 9. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 10. Any provisions of the Manhattan Beach Municipal Code, or appendices thereto, or any other ordinances of the City, to the extent that they are inconsistent with this ordinance, and no further, are hereby repealed.

SECTION 11. This notice shall be published by one insertion in *The Beach Reporter*, the official newspaper of the City, and this ordinance shall take effect and be in full force and operation thirty (30) days after its final passage and adoption.

SECTION 12. The City Clerk shall certify to the adoption of this ordinance; shall cause the same to be entered in the book of original ordinances of said City; shall make a minute of the passage and adoption thereof in the records of the meeting at which the same is passed and adopted; and shall within fifteen (15) days after the passage and adoption thereof cause the same to be published by one insertion in *The Beach Reporter*, the official newspaper of the City and a weekly newspaper of general circulation, published and circulated within the City of Manhattan Beach hereby designated for that purpose.

PASSED, APPROVED and ADOPTED this 4th day of January, 2005.

Ayes:  
Noes:  
Absent:  
Abstain:

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Mayor, City of Manhattan Beach, California

ATTEST:

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City Clerk