

Agenda Date: 5/16/2017

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Andy Sywak, Economic Vitality Manager

SUBJECT:

Resolution of Intention to Provide for Annual Levy and Collection of Assessments for the Downtown Business Improvement District and Setting June 20, 2017 for a Public Hearing (Economic Vitality Manager Sywak).

ADOPT RESOLUTION NO. 17-0045, SET PUBLIC HEARING FOR JUNE 20, 2017

RECOMMENDATION:

The Downtown Business Improvement District Advisory Board and City Staff recommend that the City Council adopt Resolution No. 17-0045 announcing the City's intention to set assessments for the Downtown Business Improvement District (BID) for fiscal year (FY) 2017-2018, and setting the public hearing for June 20, 2017.

FISCAL IMPLICATIONS:

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 20, 2017, 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 2017-2018 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 20, 2017). 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 27, 2017, the Downtown Manhattan Beach Business Improvement District Advisory Board met to discuss the proposed service program and associated budget for FY 2017-2018. At that time, the Board approved various documents, including the FY 2017-2018 program (Attachment 1). Subsequently, the Chairperson of the Advisory Board (Mike Zislis) submitted a letter (Attachment 2) requesting the City Council adopt the Resolution of Intention (Attachment 3).

CONCLUSION:

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 20, 2017. 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.

Attachments:

1. FY 2017-2018 Downtown Business Improvement District Activity Plan
2. Chairperson Letter from BID Advisory Board
3. Resolution No. 17-0045

DOWNTOWN MANHATTAN BEACH

BUSINESS IMPROVEMENT DISTRICT

EST. 1969

Business Improvement & Activity Plan

April 2017 – March 2018

*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 & 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 Business District in 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 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).

Business owners that are assessed within the BID can nominate members of the Advisory Board. According to State law, the BID Board is appointed/approved 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.

The Advisory Board will meet once annually, unless otherwise needed to convene.

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:

Benefits Of the District (cont'd):

- * 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 DISTRICT ACHIEVEMENTS, GOALS, ACTIVITY PLAN 2017-2018

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 Council, Staff, Planning Commission & PPIC to promote Downtown-parking alternatives for merchants, customers, and employees.*
- * **Ocean Express** – The Ocean Express brought 32K passengers to the Downtown stop last year. This program is in need of significant funding to make it solvent for the Gateway to LA BID. Currently, the City contributes \$20k, the DBPA \$10K, and Manhattan Village Mall \$10K. There is approximately a \$150K deficit between operating cost and income that is currently being subsidized by the Gateway to LA BID.
 - * Goal – increase ticket sales at the hotels by creating a concierge FAM program and a shopping incentive card
 - * Goal – provide marketing material and maps for all
 - * Goal – work with City MB on a branding video to be played in-room and on the bus
- * **Valet** – The expansion to include a {pages} location was approved by Council but has not been activated yet. A new operator, PCA, was identified as necessary and such begun operations on February 1, 2017. The owner of PCA is a Manhattan Beach resident and operates a reputable valet company nationwide.
 - * Goal – close Fonz’s location, open {pages} location, and expand hours at the MB Post location to 7 nights a week
 - * Goal – increase pricing from a flat rate of \$10/car to demand-based pricing
- * **The Downtowner** – Council approved a 6-month pilot program that commenced on February 1, 2017. The DBPA co-op sponsors one cart. The DBPA contributes \$650/month to the total cost, thus making the individual ad cost more affordable for business owners. There are 10 businesses advertising on the shared cart representing, retail, dining, office, service, beauty, and medical businesses within the BID.
 - * Goal – collaborate with the City on service area and fleet expansion to reach to Sepulveda and E. Manhattan
- * **Ride-share options** – The DBPA and The City partnered with LYFT for large marquis events held in Downtown. Designated and marked drop zones were identified and utilized which helped to alleviate traffic congestion. Passenger incentive discount codes were generated for businesses during Holiday Open House, Small Business Saturday, and Sketcher’s Holiday Fireworks Festival.
Ride-share options cont’d:

Goal – expand the amount of events in which this is utilized and work with LYFT to partner with restaurants for use during peak periods and major events held in the district

Goal – identify and implement a dedicated ride-share drop-off/pick-up zone for night and weekend use

- * ***Farmers' Market - Continue promoting and supporting the weekly market in Downtown Manhattan Beach and expand community integration as the Farmers market begins its 12th year of operation.***
 - * NOTE: The Farmers Market is projected for a 5% increase in 2017-2018 and continues to work in conjunction with City MB on their employee wellness program.
 - * NOTE: The MBFM is a certified market with approximately 50 total vendors offering fresh organic produce, packaged food, hot foods and also addresses food trends such as vegan cheeses and yogurts, micro-greens, and paleo foods... all sourced locally
 - * Goal – work creatively within the limited footprint to increase vendor count by offering space share options
 - * Goal – increase merchandise sales via market branding and exploring on-line sales capability
 - * Goal – continue to educate the community about healthy eating options by working with Growing Great and encouraging school fieldtrips to the market
- * ***Support non-profit organizations that benefit the community with proceeds from the Farmers' Market and other events. Amount not to exceed 10% of Gross combined revenue of BID and MBFM revenue.***
 - * NOTE: The Farmers Market continues to support the community, youth and wellness by contributing a percentage of quarterly market proceeds to MBEF, Growing Great, and Grades of Green. In addition the Farmers Market income also contributes to the Roundhouse Aquarium, MBLL, MBX, MCHS Drug and Alcohol Prevention, Coordinating Council, and FOLA.
 - * NOTE: The DBPA continues its support of the above as well as the Pumpkin Races, MOvember, Breast Cancer Awareness, Tour de Pier, CHOICE Program, Special Olympics, and the American Red Cross. The MBFM will be holding its first ARC Blood Drive in July 2017.
- * ***Continue to work with the Public Works Department and Waste Management to support the CART Trash & Recycling Programs for Downtown businesses and set the example by implementing sustainable environmental practices.***
 - * NOTE: The DBPA continues to support and encourage all sustainable MB practices including, but not limited to Recycling, Trash and Food Waste, Breathe Free MB, Wellness and Earth Day initiatives
 - * NOTE: The DBPA has worked closely with Public Works and Waste Management on the Trash Task Force. Council will hear possible Downtown maintenance improvements in June 2017.

Parking, Transportation & Community Programs cont'd

- * Work with the City & Public Works Department to improve the Downtown curb appeal with signage, landscaping, lighting, etc.
- * NOTE: The Downtown Specific Plan will most likely call for many structural improvements that will need to be monitored.
- * Goal- continue to work with Community Development regarding the implementation of the Downtown Specific Plan

B. Marketing & Advertising

- * Continue to promote our downtown as a special place with quaint shops, dining & services and a destination for locals and visitors.
- * Continue & expand the Downtown marketing/advertising campaign to promote the Downtown as a whole, especially within our community and to visitors. Explore marketing and advertising channels outside of the South Bay.
 - NOTE: The DBPA maintains a strong presence in within local advertising channels, such as South Bay Magazine, The Beach Reporter, The Easy Ready and more
- * Keep visitor guides fresh to reflect the changes that have occurred in downtown. Continue to reach out and invite concierges in nearby hotels & key hotels throughout Los Angeles to spend a day in downtown and experience firsthand why our town is a desirable destination.
 - * NOTE: FAM tours and travel writers have been hosted and continue to increase our presence outside of Manhattan Beach and have extended internationally to Australia, New Zealand, Germany, and Canada.
 - * Continue the Summer Ambassador Program to welcome guests
- * Continue to support the Chamber of Commerce and their various advertising and marketing mechanisms, particularly The Destination Guide and Street & Road Map
- * Utilize social media to promote and increase the presence of downtown (i.e. Facebook, Instagram, Twitter, Yelp, Google, Trip Advisor and emerging apps)
- * Continue to negotiate and make available cooperative advertising opportunities.
 - * NOTE: Shared advertising with City MB has proven cost effective. In order to increase our media presence without increasing our budget greatly, co-op opportunities with the DBPA and its constituents need to be explored and implemented. The Downtowner co-op is working nicely and provides an equitable advertising solution
- * 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
- * Continue to explore new cost-effective opportunities of marketing, video, and increasing the on-line presence of downtown

C. Promotions & Special Events.

- * Sponsor the (3) annual advertised "**Sidewalk Sales**" to promote Downtown merchants
- * Family Movie Nights with Parks & Rec and Nikau Kai Waterman Shop
- * Optimize event guest activation with major events held in Downtown
- * Farmers Market 11th Anniversary will have on-site events in July.
- * Farmers Market guided wellness tours will begin in May 2017.
- * Continue to sponsor the pumpkin races with MBFM healthy activities
- * Host the "**Holiday Open House**" in conjunction with the **Pier Lighting**
- * Continue to work with Parks & Rec on the '**Beach Events**' such as **6-Man/International Surf Festival, Tour de Pier & AVP/Manhattan Open** to ensure the downtown benefits from the event and that the need of the DBPA are met with regards to parking during the events.
- * NOTE: The DBPA has worked closely with the AVP/MB Open to create the proposed VIP area. The DBPA is planning an opening night reception after the Pier Ceremony. Net funds generated thru sponsorships and ticket sales will be donated to a local community group such as MBX. Currently this event is under an appeal and will be heard the week of May 8, 2017.

D. Professional Management & Communications

- * Maintain professional management to implement the Business Improvement and Activity Plan
- * Engage new and existing businesses
- * Work closely with the MB Property Owners Association to identify tenant opportunities and a strong mix of use
- * Work closely with the MB Residents Association to address their needs
- * Conduct focus groups for DBPA members to help address opportunities and challenges for small business
- * Work with the City to execute the Downtown Specific Plan
- * Work closely with the Economic Vitality Manager to realize opportunities, promote the district and identify needs
- * Meet regularly with City Manager and Department heads
- * Continue informing DBPA members of important issues affecting their business and conducting informational seminars when appropriate
- * Communicate needs and concerns and work closely with MBPD
- * Continue to inform businesses through the crime alerts (EZ Text)
- * Increase public relations opportunities for promoting the Downtown by maintaining a collaborative relationship with local press
- * Communicate with BID Board as often as needed regarding larger BID concerns and opportunities, such as parking and revenue streams

BUSINESS IMPROVEMENT & ACTIVITY PLAN BUDGET

I. INCOME

A. 2017-2018 Operating Budget

The 2017-2018 operating budget breakdown of income for the Downtown Manhattan Beach BID is provided in the following detail. The improvement and activity plan budget is projected at approximately \$287,000 with the following components:

- **Assessments**
 - \$111,000 has been budgeted based on the 2016 total of assessments. 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.
- **DBPA Contribution**
 - *\$10,000 Holiday income for the Open House/Pier Lighting
- *HOH income is a suggested \$100 contribution from each business and is allocated towards entertainment and activities that evening as well as Small Business Saturday and December advertising.
- **Farmers Market**
 - \$160,000 representing a 5% increase of last year's revenue, notwithstanding weather related closures
 - \$6,000 from the Trackless Train operated weekly

II. FISCAL YEAR

- Net income was (-\$3,814) v. the budgeted (-15,819) however, please note, the Ocean Express allocation of \$10,000 was not paid out in the fiscal year. Net retained earnings are \$99,818 of which the following is allocated:
 - \$25,856 in BID reserves
 - Approximately \$36,000 is allocated for operating and payroll expense thru July of 2017 and until the BID funds are received
 - \$2,600 is allocated for the DBPA share of The Downtowner operation between April 1- July 31, 2017
 - \$10,000 is allocated for a new pole banner marketing campaign to replace the 3.5 year old banners

BUSINESS IMPROVEMENT & ACTIVITY PLAN BUDGET CONT...

III. EXPENSES

2017-2018 Operating Budget

The 2017-2018 operating budget breakdowns of expenses for the Downtown Manhattan Beach BID are provided below. The improvement and activity plan budget is projected at \$287,000.

- **Community Relations/Programs:**
 - \$21,050 is provided which accounts for approximately 7.3% of the budget, including the Farmers Market revenue
 - \$13,500 is directed as a business sponsorship from the Farmers Market to be equally dispersed to MBEF, Grades of Green and Growing Great. This represents 8.3% of Farmers Market revenue
 - (This amount is comprised of expenses detailed under Community Relations in the DBPA 2017-2018 budget)
- **Marketing & Promotion:**
 - \$50,150 provided which accounts for 17% of the budget
 - (This amount is comprised of expenses detailed under Marketing & Promotion in the DBPA 2017-2018 budget)
- **Special Events:**
 - \$2,000 is provided which accounts for 3% of the budget
 - Does not include print advertising for each event
 - (This number is solely comprised of the Special Events heading on the DBPA 2017-2018 budget)
- **Parking/Transportation:**
 - \$17,800 is allocated which accounts for 6% of the budget
 - \$7,800 is allocated for the DBPA share of The Downtowner advertising co-op program
 - \$10,000 is allocated for The Ocean Express program
 - (Both expenses are detailed in Parking/Transportation in the DBPA 2017-2018 budget)
- **Professional Mgt., Rent, Supplies, Insurance & Communications:**
 - \$115,700 is provided which accounts for 40% of the budget
 - (This number is solely comprised of the General Administration heading on the DBPA 2017-2018 budget)
 - \$77,500 is allocated to payroll, which includes one full-time employee and the Ambassador Summer Program. (Payroll represents 27% of the total DBPA 2017-2018 budget or 67% of General Administration)

2017-2018 DTMB BID BUDGET

	PROJECTED INCOME	PROJECTED EXPENSES	NET FUNDS
General Administration			
BID Contribution	111,000.00	-	111,000.00
BID Parking Solution Reserve		-	-
Payroll Totals		73,000.00	(73,000.00)
Medical Allowance		6,000.00	(6,000.00)
Ambassdor Pay		4,500.00	(4,500.00)
Interpretive Services		1,400.00	(1,400.00)
Rent		11,100.00	(11,100.00)
Insurance Premiums		8,700.00	(8,700.00)
Operating Expenses		11,000.00	(11,000.00)
SUBTOTAL	111,000.00	115,700.00	(4,700.00)
Farmers Market Income			
Farmers' Market	160,000.00	72,300.00	87,700.00
A 1 Promotions/Train	6,000.00	-	6,000.00
SUBTOTAL	166,000.00	72,300.00	93,700.00
Event Income			
Holiday Open House	10,000.00	8,000.00	2,000.00
(MBO) Sunset over Manhattan			
SUBTOTAL	10,000.00	8,000.00	2,000.00
Special Events			
Pumpkin Race	-	200.00	(200.00)
Small Business Saturday	-	500.00	(500.00)
January Sidewalk Sale	-	200.00	(200.00)
April Sidewalk Sale	-	200.00	(200.00)
August Sidewalk Sale	-	200.00	(200.00)
Misc. Events	-	500.00	(500.00)
Easter	-	200.00	(200.00)
SUBTOTAL	-	2,000.00	(2,000.00)
Parking/Transportation			
Downtowner	-	7,800.00	(7,800.00)
Ocean Express	-	10,000.00	(10,000.00)
Ride share options			
Employee Parking			
Valet			
SUBTOTAL	-	17,800.00	(17,800.00)

Community Relations

Dig 4 Kids		220.00	(220.00)
Coordinating Council		500.00	(500.00)
Fireworks Festival		1,000.00	(1,000.00)
FOLA		200.00	(200.00)
MBEF		4,500.00	(4,500.00)
Grades of Green		4,500.00	(4,500.00)
Growing Great		4,500.00	(4,500.00)
GRAD Nite		250.00	(250.00)
MB Little League		350.00	(350.00)
Roundhouse Aquarium		2,500.00	(2,500.00)
Chamber Events		2,300.00	(2,300.00)
Chamber Dues		230.00	(230.00)
SUBTOTAL	-	21,050.00	(21,050.00)

Marketing & Promotion

Beach Reporter		5,000.00	(5,000.00)
Easy Reader		3,000.00	(3,000.00)
South Bay Magazine		5,000.00	(5,000.00)
Et Cetera Magazine		4,000.00	(4,000.00)
Hotel Guide		2,800.00	(2,800.00)
Banners		10,000.00	(10,000.00)
Banner Permits		2,000.00	(2,000.00)
Chamber Advertising		2,500.00	(2,500.00)
Design/Agency Fees		10,000.00	(10,000.00)
Visitor's Guide Brochure		2,000.00	(2,000.00)
Concierge Program		2,500.00	(2,500.00)
Downtown Maps/Directory		850.00	(850.00)
Holiday Décor/Metlox		500.00	(500.00)
SUBTOTAL	-	50,150.00	(50,150.00)

TOTAL

	287,000.00	287,000.00	-
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Business Improvement District

DOWNTOWN MANHATTAN BEACH

May 1, 2017

Mayor David Lesser
Members of City Council
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

Re: Downtown BID Fund Renewal

Dear Mayor Lesser and Members of City Council:

The Downtown Business Improvement District (BID) Advisory Board met on April 27, 2017 with a quorum present. Upon reviewing the 2016-2017 year end progress report and the 2017-2018 projected Business Improvement District Activity Plan and Budget, the Board is requesting the City Council approve the Resolution of Intent.

Sincerely,

Michael Zislis,
Chairman of the Board
Downtown Manhattan Beach BID Advisory Board

RESOLUTION NO. 17-0045

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

THE MANHATTAN BEACH CITY COUNCIL HEREBY RESOLVES, FINDS AND DETERMINES:

Section 1. The City Council hereby finds:

- A. 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
- B. BIDs provide services, such as cleaning streets, providing security, making capital improvements, construction of pedestrian and streetscape enhancements, and marketing the area; and
- C. The services provided by BIDs supplement those already provided by the municipality to attract customers to the assessed businesses; and
- D. 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
- E. The Downtown Manhattan Beach Business Improvement District Advisory Board met on April 27, 2017, supported the proposed operating program and budget of the Downtown Business Improvement District for FY 2017-18, and prepared a report in accordance with Streets and Highways Code Section 36533; and
- F. The Business Improvement District is known as the Downtown Manhattan Beach Business Improvement District (herein referred to as "District").
- G. This City Council desires to continue the assessment on businesses within the 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.

Section 2. This Resolution is Categorically Exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the approval may have a significant effect on the environment.

Section 3. The exterior boundary of the District is 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 southwesterly corner of Lot 10, Block 9 Manhattan Beach Tract; thence northerly to the southwesterly 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 southwesterly 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 southwesterly 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 southwesterly corner of Lot 10, Block 65, Manhattan Beach Division No. 2; thence northerly to the northwesterly corner of Lot 13, Block 65, Manhattan Beach Division No. 2; thence northerly to the southwesterly corner of Lot 10, Block 64, Manhattan Beach Division No. 2; thence northerly to the northwesterly corner of said Lot 10; thence northwesterly to the southwesterly corner of Lot 34, Verano Beach Tract; thence northerly to the northwesterly 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. The City Council hereby declares its intention to levy and collect assessments within the District for the FY 2017-2018.

Section 5. All businesses within the boundaries of the 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 6. 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 7. 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 8. The report describing the improvements and activities to be provided for FY 2017-2018, the District boundaries, and the proposed assessments is on file with the City Clerk in City Hall, 1400 Highland Avenue, Manhattan Beach, California 90266.

Section 9. The City Council shall convene a Public Hearing regarding the levying of assessments by the Manhattan Beach Downtown Business Improvement District on June 20, 2017 at 6:00 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. Written and oral protests may be made at the public hearing, the form and manner of which shall comply with Streets and Highways Code Sections 36524 and 36525.

Section 10. This Resolution shall be circulated to each business owner within seven days of the date of adoption by the City Council.

Section 11. This resolution shall take effect immediately upon adoption.

Section 12. The City Clerk shall certify to the passage and adoption of this resolution.

ADOPTED May 16, 2017.

- Ayes:
- Noes:
- Absent:
- Abstain:

DAVID LESSER
Mayor, City of Manhattan Beach, California

ATTEST:

LIZA TAMURA
City Clerk