

**Agenda Date:** 5/7/2019

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**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

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

**SUBJECT:**

Consideration of City Council's Intention to Provide for Annual Levy and Collection of Assessments for the Downtown Business Improvement District and Setting June 18, 2019, for a Public Hearing (Finance Director Charelian).

- a) **ADOPT RESOLUTION NO. 19-0042**
  - b) **SET PUBLIC HEARING DATE TO JUNE 18, 2019**
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**RECOMMENDATION:**

The Downtown Business Improvement District Advisory Board and City Staff recommend that the City Council adopt Resolution No. 19-0042 announcing the City's intention to set assessments for the Downtown Business Improvement District (BID) for fiscal year (FY) 2019-2020 and setting the public hearing for June 18, 2019.

**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 associated assessments be renewed annually. Therefore, the City Council will hold a public hearing at its meeting on June 18, 2019, to consider the request from the Downtown Business

Improvement District Advisory Board to renew the district for Fiscal Year 2019-2020 and levy the associated assessment (80% surcharge on business license tax 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 18, 2019). 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 in the BID. On April 18, 2019, the Downtown Manhattan Beach Business Improvement District Advisory Board met to discuss the proposed activity plan and associated budget for FY 2019-2020. At that time, the Board approved various documents, including the FY 2019-2020 activity plan, which has been included as an attachment. Subsequently, the Chairperson of the Advisory Board (Mike Zislis) submitted a letter requesting the City Council adopt the Resolution of Intention, both documents are included as attachments.

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 18, 2019. 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.

**PUBLIC OUTREACH:**

After analysis, staff determined that public outreach was not required for this issue.

**ENVIRONMENTAL REVIEW:**

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

**LEGAL REVIEW:**

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

**ATTACHMENTS:**

1. Resolution No.19-0042
2. Chairperson Letter From BID Advisory Board
3. Fiscal Year 2019-2020 DBID Activity Plan and Budget

RESOLUTION NO. 19-0042

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 18, 2019, supported the proposed operating program and budget of the Downtown Business Improvement District for FY 2019-20, 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 15<sup>th</sup> Street and Ocean Drive, the Southwest corner of 8<sup>th</sup> Street and Ocean Drive, the Southeast corner of 8<sup>th</sup> Street and Valley Drive, and the Northeast corner of 15<sup>th</sup> Street and Valley Drive. The specific legal description is as follows:

Beginning at the intersection of the southerly line of 15<sup>th</sup> Street with the westerly line of Highland Avenue; thence southerly along said westerly line of Highland Avenue to the southerly line of 13<sup>th</sup> Place; thence easterly along the prolongation of said southerly line of 13<sup>th</sup> 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 10<sup>th</sup> Place; thence westerly along said northerly line of 10<sup>th</sup> Place to the easterly line of Morningside Drive; thence northerly along said easterly line of Morningside Drive to the southerly line of 11<sup>th</sup> Place; thence westerly along said southerly line of 11<sup>th</sup> Place to the westerly line of Crest Drive thence southerly along said westerly line of Crest Drive to the northerly line of 11<sup>th</sup> Street; thence westerly along said northerly line of 11<sup>th</sup> Street to the westerly line of Bayview Drive; thence southerly along said westerly line of Bayview Drive to the northerly line of 8<sup>th</sup> Street; thence westerly along said northerly line of 8<sup>th</sup> 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 11<sup>th</sup> Street; thence westerly along said northerly line of 11<sup>th</sup> 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 12<sup>th</sup> Street; thence easterly along said northerly line of 12<sup>th</sup> Street to the southwesterly corner of Lot 11, Block 14, Manhattan Beach Division No. 2; thence northerly to the southerly line of 13<sup>th</sup> Street; thence easterly along said southerly line of 13<sup>th</sup> Street to the easterly line of Manhattan Avenue; thence southerly along said easterly line of Manhattan Avenue to the northerly line of 12<sup>th</sup> Street; thence easterly along said northerly line of 12<sup>th</sup> 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 15<sup>th</sup> Street; thence easterly along the southerly line of 15<sup>th</sup> 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 2019-2020.

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 2019-2020, 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 18, 2019, 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 on May 7, 2019.

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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STEVEN A. NAPOLITANO  
Mayor

ATTEST:

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LIZA TAMURA  
City Clerk



April 20, 2019  
Mayor Steve Napolitano  
Members of City Council  
City of Manhattan Beach  
1400 Highland Avenue  
Manhattan Beach, CA 90266

Re: BID Fund Renewal

Dear Members of City Council,

The Downtown Manhattan Beach Business Improvement District (BID) Advisory Board met on Thursday, April 18, 2019 with a quorum present. Upon reviewing the 2018-2019 year end progress report and the 2019-2020 projected BID Activity Plan and Budget, the Board is requesting the City Council to approve the Resolution of Intent.'

Sincerely,

BID Advisory Board

A handwritten signature in blue ink, appearing to read "MZ", is positioned above the name and title of the signatory.

Michael Zislis  
BID Board Chairman



**DOWNTOWN MANHATTAN BEACH  
BUSINESS IMPROVEMENT DISTRICT**

Business Improvement & Activity Plan  
April 2019

*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 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).



Business owners that are assessed within the BID, and, per State law, appointed by the Manhattan Beach City Council can nominate members of the Advisory Board.

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, 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 GOALS ACHIEVED, ACTIVITY PLAN 2018-2019**

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. Downtown Manhattan Beach Lighting and Beautification**

- Lighting – The BID believes that the aesthetics and safety of the District will be greatly improved through installation of additional lighting. The BID has directed the DBPA to spend up to \$10,000 to obtain lighting design options specific to our Downtown BID, focusing on safety as well as beautification. The BID would like to see additional lighting installed on the Pier railings, under the Pier, as well as lighting underneath the pier to highlight the ocean.
- Beautification – The BID believes its members and visitors would be well served by enhancing landscaping, seating and walkway options throughout the District. The BID has directed the DBPA to spend up to \$10,000 to obtain design options for enhanced landscaping, seating options and specifying a new tile or substitute for walkways to replace the current mismatched, slippery Japanese tile in the District.
- Recycling Bins in Lot 3 – The recycling bins in this area have been problematic for several years. They are not used, emptied, or maintained properly, resulting in an eyesore and public health nuisance with swarming flies, overflowing boxes and untenable odors. The BID will be sending a letter to the City to recommend an ordinance regarding breaking down boxes, with financial penalties for those who do not comply. Most boxes are traceable by mailing labels, making it easy to fine businesses who do not abide by the rules. Although these bins are in an alleyway, it is highly traveled due to visitors to Lot 3, as well as offices and two nearly adjacent store fronts, Right Tribe and Homie. It may be beneficial to enclose or screen the area to help prevent the eyesore.
- Sidewalks—The BID believes that sidewalk cleaning has been reduced and would like to see a more frequent schedule established.

The BID Board respectfully requests City Council consider and approve the following downtown lighting and beautification requests:

- Install lighting on the Pier railings and underneath the Pier to highlight our beautiful oceanfront
- Establish an ordinance to financially enforce breaking down boxes for recycling bins to prevent unnecessary overflow
- Address the eyesore of recycling bins in Lot 3 through screening or other method of keeping these bins out of public view
- Establish a more frequent sidewalk steam cleaning schedule

## **B. Parking and Transportation Strategies**

*BID proposed parking and transportation solutions are to benefit employees, visitors and consumers. The Downtown BID, through the DBPA, will continue exploring alternative solutions to attract, transport and park customers and employees to/in Downtown Manhattan Beach.*

- Valet - Due to rising operational costs and lack of vendor interest, the downtown valet is no longer considered financially viable and the BID recommends suspending the program indefinitely. The City should note that parking meters previously utilized for valet parking are still not allowing payment during what were valet hours and should be updated to accept payment. The signs on these meters should also be updated so they no longer indicate they are reserved for valet parking.
- Metlox - The BID Board will submit a letter to the PPIC indicating that we would like to request the final implementation of the Smart Parking technology installed during construction of the Metlox parking structure. This technology should be utilized with parking space count displays at both entrances to the structure. This would eliminate the unsafe and unhealthy circling of vehicles in the garage looking for spaces that are not available.
- Rideshare and Taxi Loading Zones – The BID Advisory Board encourages the City to explore and subsequently approve dedicated ride share loading zones. Streets within the BID experience unnecessary congestion when ride share vehicles stop in the middle of a street or in front of a specific business. This creates both a safety issue and traffic problems within the BID. Vehicular and pedestrian safety would be greatly enhanced by implementing specific loading zones for all ride sharing services.
- LAX Corridor Transportation to Downtown BID – The valuable Ocean Express service ended in October 2017. The DBPA continues to fund a line item for a transportation model to bring travelers from the LAX corridor to the BID area. The DBPA is directed to continue to explore hotel/concierge relationships and potential ride share options, partnering with the MB Chamber of Commerce and City where applicable.
- The Downtowner EV shuttles – No replacement program has been identified by the City of Manhattan Beach, leaving parking availability, mobility within the BID, and access to the beach compromised. The BID encourages the DBPA and the City to continue to explore similar options and vendors.

The BID Board respectfully requests City Council consider and approve the following parking and transportation requests.

- 4 weeks of red-bagging the meters during the 2019 Holiday Season
- Prohibit all City and Athens vehicles that park in Metlox, Lot 1, 2, 3, or 6 on a daily basis
- Prohibit City MB employee parking in Metlox, Lot 1, 2, 3 or 6
- Change the lower level of Metlox parking to merchant parking only
- Extend the closing time of the lower pier lots to midnight on Friday and Saturday nights
- Prohibit event staff or VIP reserved parking at metered spots in Downtown, during marquee events
- Require marquee events to provide an event shuttle (with parking located outside of Downtown) and/or ride share codes to attendees and staff
- Re-instate the two “merchant only” spaces in Lot 1 that were removed when the Lot 1 retaining wall project was completed in late 2017
- Install a traffic light or flashing light crosswalk at Manhattan Beach Boulevard & Morningside Drive. This highly traveled intersection is dangerous for pedestrians.
- Allow immediate Permit Parking access to the approximately 75 parking spaces previously allocated to [dealer.com](http://dealer.com) in Lot 1
- Identify and approve dedicated ride share loading zones
- Complete implementation of smart parking technology in Metlox parking garage

### **C. Support weekly Manhattan Beach Certified Farmers' Market**

- Continue to support the City MB's Employee Wellness program through carrot coins to be used at the Farmers Market
- Continue to work with the City's Environmental Sustainability department and Waste Management to further "green" the market
- Ensuring all vendors comply with City environmental standards including providing no polystyrene containers or handled plastic bags, and utilize only paper straws and compostable or bamboo utensils
- Working on further initiatives to greatly reduce plastic produce bags, provide mesh produce bags for sale at minimal cost, and increasing use of compostable serving containers for hot food vendors

### **D. Community Programs**

- Continue to support the Fireworks Festival, Jimmy Miller Foundation, Neptunian Women's Club, Tour de Pier, Skechers' Friendship Walk, CHOICE Program, Pumpkin Races, Walk With Sally, American Red Cross and other identified local philanthropies with cash or in-kind donations when appropriate
- 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, Catalina Classic and more
- Support non-profit organizations that benefit the community through proceeds from the Farmers' Market and other events, not to exceed 10% of Gross combined revenue of BID funds and MB Farmers Market funds

### **E. Marketing & Advertising**

- Downtown is the heart & soul of the City and community needs to be reminded that the charm comes through independent business owners offering unique merchandise and personal service
- Continue to promote the downtown as a unique destination for visitors with quaint shops, dining & services
- Utilize more social media advertising
- Cultivate and utilize an email database for direct marketing and communication and newsletters
- More effectively promote our Farmers Market
- Update graphics and collaterals related to last year's rebranding efforts
- Keep visitor guides fresh to reflect the tenant changes
- Continue to cultivate the Concierge and hotel relationships in the area
- Work in tandem with the Chamber of Commerce and their various advertising and marketing mechanisms, such as the Chamber Map and Destination Guide
- 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 negotiate and make available cooperative advertising opportunities.

## **F. Promotions & Special Events**

- Holiday Open House Type Events—The BID believes the Holiday Open House has been a tremendous success in bringing together the community and our Downtown Businesses. The BID directs the DBPA to consider adding an additional event this year. Sponsor (3) annual “Sidewalk Sales” to promote Downtown merchants
- Participate in Family Movie Nights with Parks & Recreation Department
- Operate Sunset Beach Party at the AVP/MB Open with a portion of proceeds being donated to the Roundhouse Aquarium educational programs
- Conduct weekly Farmers Market and monthly Chef demos
- Host the “Holiday Open House together with the Pier Lighting to kick-off the holiday shopping season
- 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 events and that there

## **G. Professional Management & Communications**

- Provide affordable resources to businesses within the BID to assist with government mandated training or HR related issues through private vendors or coordination with the Chamber of Commerce
- Maintain professional management to ensure this cohesive Business Improvement and Activity Plan is implemented and continued
- Reach out to new businesses to make them feel welcome and invite their participation in our efforts as an Association to keep downtown thriving
- Work closely with the MB Property Owners Association
- Work closely with the MB Residents Association
- Work closely on the Homeless Initiatives with City of Manhattan Beach
- Work closely with all merchants and the Farmers Market on all Sustainable MB practices
- Meet regularly with City Manager and Department heads
- Continue informing members of important issues affecting their business
- Communicate needs and concerns and work closely with MBPD
- Increase public relations opportunities for promoting the Downtown
- 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**

#### **2019-2020 Operating Budget**

This fiscal year's operating budget breakdown of income for the Downtown Manhattan Beach BID is outlined below. The activity plan budget is projected at approximately \$340,000 with the following components:

#### **BID Contribution**

\$109,000 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.

#### **DBPA Event Income**

\$37,000 projected income

\$12,000 projected income for the Holiday 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

\$25,000 projected income for the Sunset Beach Party

#### **Farmers Market**

\$194,000 projected income in total sales (market sales, merchandise, additional vendors, Carrot Coins and other sources)

This reflects a 5% increase in overall market sales over the previous year

### **II. FISCAL YEAR**

**Net income for 2018-2019 was \$63,000 and the net retained earnings are \$158,000 of which approximately the following is allocated:**

- \$37,000 in BID reserves
- Approximately \$35,000 is allocated for operating costs and payroll expense through July of 2019 and until the BID funds are received in July 2019
- \$28,000 is allocated towards transportation solutions
- \$25,000 is allocated towards Community Programs
- Approximately \$55,000 is appropriated for marketing and advertising in the fiscal year 2018-19

### III. EXPENSES

#### 2019-2020 Operating Budget

The operating budget breakdowns of expenses for the Downtown Manhattan Beach BID and Farmers Market sales are provided below. The improvement and activity plan budget is projected at approximately \$340,000.00

- **Professional Management & Administration (Rent, Supplies, Insurance, Permits, Utilities, etc.):**  
\$112,000 is provided which accounts for 33% of the budget
- **City Services:**  
\$30,000 is projected, comprising approximately 9% of the budget
- **Community Programs:**  
\$101,000 is projected, comprising approximately 30% of the budget  
\$75,000 is estimated for the operation of the Farmers Market  
\$26,000 is estimated in community donations and sponsorships
- **Marketing, Advertising:**  
\$55,000 is available, which comprises 16% of the budget
- **Parking/Transportation:**  
\$28,000 is allocated, which comprises 8% of the budget
- **Special Events:**  
\$13,000 is allocated, comprising 4% of the budget (does not include advertising or marketing associated with the events)

