



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Lori Frati, Finance Management Analyst

MEETING DATE: April 6, 2016

SUBJECT: Resolution of Intention to Levy the Annual Assessment for the Downtown Business Improvement District (BID)

CEQA: Does not constitute a "Project" under California Environmental Quality Act (CEQA) Guidelines

RECOMMENDATION

1. Approve the attached Resolution of Intention to Levy an Assessment for the Downtown Business Improvement District for Fiscal Year 2016-17
2. Direct staff to notice a public hearing to be held on April 20, 2016 for the purpose of hearing any protests and determining whether to levy the assessment.

DISCUSSION

In 2000, the City established the Downtown Pacific Grove Business Improvement District (BID), appointed an advisory board, and levied assessments for the District. The assessments may be used only for the promotion, marketing and advertising of professional and retail businesses located in the district, and for general maintenance to benefit those businesses. All businesses located in the BID are assessed an amount equal to 35% of their business license tax. The assessment is collected together with the business license tax payment, each year in July. Since 2000, the BID and assessments have been reauthorized annually, without exception.

Pursuant to State law and the City Council Resolution forming the BID, an Annual Report is required that reports on District revenues and expenditures for the prior fiscal year, proposes a budget, and requests the levy of an assessment for the next year. The annual report will be included in the April 20, 2016 agenda report. No changes to BID boundaries are recommended for Fiscal Year 2016-17.

At the public hearing on April 20, 2016, the Council will have the opportunity to hear and evaluate any protests received and determine whether to levy the assessment. The Council will also have the opportunity to appoint an advisory board.

OPTIONS

1. Decline to adopt the Resolution.
2. Provide alternate direction.

FISCAL IMPACT

The assessed funds may only be used for BID purposes. These revenues may not be used for any other City purpose.

ATTACHMENTS

1. Resolution of Intention to establish the Downtown Business Improvement District for FY 2016-17

RESPECTFULLY SUBMITTED:

Lori Frati

Lori Frati
Finance Management Analyst

REVIEWED BY:

Ben Harvey

Ben Harvey
Interim City Manager

RESOLUTION NO. 16-xxx

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE
STATING THE CITY'S INTENTION TO LEVY AN ASSESSMENT FOR THE PACIFIC
GROVE BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2016-17**

FACTS

1. In 2000 the City of Pacific Grove established the Downtown Pacific Grove Business Improvement District (BID); and
2. The BID has been approved for continuation each year since it was first established, and has proved to be of benefit to the City in terms of promoting the downtown professional and retail business economy; and
3. The Pacific Grove Chamber of Commerce has requested continuation of the Downtown BID for the 2016-17 fiscal year; and
4. The action proposed by this Resolution does not constitute a "Project" as that term is defined under California Environmental Quality Act (CEQA), CEQA Guideline section 15378.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES
RESOLVE AS FOLLOWS:**

1. The City Council finds each recital set forth above to be true and correct, and by this reference incorporates each as an integral part of this Resolution.
2. The City intends to levy and collect assessments for Fiscal Year 2016-17 within the Downtown Pacific Grove Improvement District (BID), as described in Section 6.50.010 of the Pacific Grove Municipal Code. The proposed assessment would be collected by the City from the business owners when the business license tax is paid in 2016-17. Excepting catalog sales establishments, each and every business in the district will pay an assessment equal to 35% of its business license tax for fiscal year 2016-17.
3. On April 20, 2016, the City Council will receive an annual report prepared by the BID's Advisory Board, which contains details of expenditures in 2015-16 and a description of the anticipated costs and activities to be provided in Fiscal Year 2016-17. These activities include, but are not limited to, promotion, marketing and advertising of businesses in the district, support for special events, and general maintenance to benefit businesses within the BID.
4. Copies of the report will be on file with the City Clerk and are also available at the offices of the Pacific Grove Chamber of Commerce.

5. There is no change to the boundaries of the district as established and set forth in Section 6.5.020 of the Pacific Grove Municipal Code.
6. The Council sets the public hearing to consider the levy of the proposed Fiscal Year 2016-17 assessment for the BID for April 20, 2016 at 6:00 pm, or as soon thereafter as the item may be called, at the Pacific Grove City Hall, 300 Forest Avenue, Pacific Grove, California.
7. At the public hearing, the City Council shall hear and consider all protests against the Fiscal Year 2016-17 levy of assessments for the BID. The rules and procedures used to receive and consider protests will comply with Streets and Highways Code sections 36524, 36525 and 36534. Following the hearing, the Council may adopt a resolution approving the levy.
8. The City Clerk is hereby directed to give a summary notice of the public hearing by causing this resolution of intention to be published once in a newspaper of general circulation not less than seven days before the public hearing.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 6th day of April, 2016, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

BILL KAMPE, Mayor

ATTEST:

SANDRA KANDELL, Deputy City Clerk

APPROVED AS TO FORM:

DAVID C. LAREDO, City Attorney