

**STAFF REPORT
City of Lancaster**

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Date: June 14, 2011

To: Mayor Parris and City Council Members

From: Vern Lawson, Economic Development/Redevelopment Director

Subject: **Annual Assessment of the Parking and Business Improvement District (PBID) Levy in The BLVD Association Boundary**

Recommendation:

- a. Adopt **Resolution No. 11-31**, declaring the intention to continue a Parking and Business Improvement District (PBID) also known as the Downtown Lancaster Business Improvement Area and set a public hearing to consider the continuation of the District.
- b. Approve the District's FY 2010-2011 Administrative Report and Financial Statements.

Fiscal Impact: None.

Introduction:

Throughout the City of Lancaster's BLVD Transformation Project, The BLVD Association has played an integral role in the revitalization of the downtown area. Well before construction began, the Association provided valuable input in the creation and implementation of the Downtown Lancaster Specific Plan. Throughout construction, Association members served as key points of contact to ensure that all businesses on The BLVD stayed abreast of the ever-changing construction activity. The BLVD Association and its members have also been involved in the many new events in the Celebrate Downtown Lancaster series, including the Streets of Lancaster Grand Prix, in addition to hosting their own special events such as the annual Holiday Stroll and the inaugural Mardi Gras Off-the-BLVD Block Party. In April 2011, the Association co-hosted its first business training event, dubbed "BLVD Business Boot Camp." This event aimed to provide downtown businesses with valuable insight from industry experts on how to survive and thrive in the current economy. In addition, the group hosts monthly meetings at a variety of businesses throughout the downtown area in order to coordinate efforts to further develop The BLVD as a regional destination.

According to the California Streets and Highways Code Section 36500 et. seq., the City Council is required to re-levy the assessment for the PBID each fiscal year. This staff report and resolution simply declare the intention to consider the continuation of the District at a public hearing to be held on June 28, 2011.

Funds generated by this assessment are used by the BLVD Association for the benefit of its member businesses, which also serve as the source of the fees. These funds help to promote the downtown area in a variety of ways, including joint marketing efforts; training opportunities for businesses; and hosting BLVD Association special events. In short, re-levying this assessment

will provide the Association with the funding it needs to continue its own programs and support other BLVD events in an ongoing effort to enhance the downtown area and strengthen its many businesses. One hundred percent of the fees collected via this assessment go directly to the BLVD Association; the City merely collects the funds on the Association's behalf and disburses them to the Association.

Background:

In the late 1980s, City and Agency officials sought a way to promote commerce in the downtown area, including satisfying a need for parking. Their efforts culminated in the adoption of Ordinance No. 521 on November 20, 1989, establishing the Downtown Lancaster Parking and Business Improvement District (PBID). On the same date, the City Council also approved a formal agreement with the Lancaster Old Town Site Committee (now known as The BLVD Association) to administer the PBID. This agreement requires the Association to prepare an administrative report outlining the expenditures from the past fiscal year, as well as the proposed budget for the upcoming fiscal year (please see attachments 5 through 9).

In 1990, Senate Bill 1424 was enacted, modifying California Streets and Highways Code Section 36500 et. seq. to require the legislative body (the City Council) to re-levy the assessment for each fiscal year a PBID is in effect. The re-levy of the assessment procedure requires the acceptance of the report from The BLVD Association in its capacity as the PBID Advisory Board for the City Council, as well as adoption of a resolution of intent followed by a public hearing on the assessment.

The current fiscal assessment for 2010-2011 and the proposed 2011-2012 assessment are identical. The proposed assessment level is outlined in Exhibit C. Exhibit A illustrates the PBID geographic boundaries, which generally encompass businesses on the north and south sides of Lancaster Boulevard from 10th Street West to Sierra Highway, with portions of these streets also included.

Summary:

The BLVD Association, which administers the Downtown Lancaster PBID, has requested the continuation of the PBID during the upcoming fiscal year. This will allow businesses in the downtown area to continue to pool resources and coordinate efforts to promote the newly revitalized BLVD as a major regional destination for the arts, entertainment, shopping and dining.

Adopting the attached resolution to set the public hearing for the PBID renewal will contribute to the City and The BLVD Association's ongoing efforts to enhance the economic vitality of the downtown area.

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Attachments:

1. Resolution No. 11-31
2. Exhibit A – Boundary Map
3. Exhibit B – Legal Description
4. Exhibit C – Assessment Fee
5. The BLVD Association Support Letter (Available for review in the City Clerk's Office)
6. The BLVD Association 2010-11 Administrative Report (Available for review in the City Clerk's Office)

7. The BLVD Association Profit & Loss Statement (Available for review in the City Clerk's Office)
8. The BLVD Association Balance Sheet (Available for review in the City Clerk's Office)