

STAFF REPORT
City of Lancaster, California

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Date: July 24, 2007

To: Mayor Hearn 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 Lancaster Old Town Site Area**

Recommendation:

- a. Adopt **Resolution No. 07-149**, declaring the intention to continue a Parking and Business Improvement District 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 2007-2008 Administrative Report and Financial Statements.

Introduction:

Through the Parking and Business Improvement District, Lancaster Old Town Site (LOTS) has been an active participant in the revitalization of Downtown. They are involved in Celebrate! Downtown Lancaster, which promotes community involvement and economic vitality. LOTS has also provided valuable input in the creation and implementation of the Downtown Specific Plan and maintains a positive relationship to promote progress in Downtown. The continuation of this effort and partnership is predicated on the annual renewal of the Parking and Business Improvement District administered by LOTS.

Background:

In 1988 and 1989, City and Agency officials discussed ways in which adequate parking for businesses, trades, and professions in the downtown area could be provided within the boundaries of certain designated zones. Subsequent discussions included promotion of public events and the general promotion of business activities and commerce in the area culminating in the adoption of a Parking and Business Improvement District as described below.

On November 20, 1989, the City Council adopted Ordinance No. 521 establishing the Downtown Lancaster Parking and Business Improvement District (PBID). On the same date, the Council approved an Agreement with the Lancaster Old Town Site (LOTS) Committee to administer the PBID for the City. This Agreement requires LOTS to prepare an administrative report (see attached LOTS Report) outlining the expenditures from the past fiscal year and the proposed budget for the upcoming fiscal year. On August 22, 2000, the City Council adopted Ordinance No. 782, modifying the eastern boundaries of the PBID, in accordance with the boundary map and legal description shown on Exhibits A and B.

In addition, during the 1990 legislative year, Senate Bill 1424 was enacted which modified the

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. In the subject situation, the re-levy of the assessment procedure involves the acceptance of the report from LOTS, acting as the PBID Advisory Board for the City Council, and adopting a resolution of intent followed by a public hearing on the assessment. The current fiscal assessment for 2005-2006 and the proposed 2006-2007 assessment are identical. The proposed 2006-2007 assessment level is outlined in Exhibit C, which reflects proposed charges on the periphery of Lancaster Boulevard (Zone B) and frontage of Lancaster Boulevard (Zone A) for retail and non-retail businesses. Exhibit A illustrates the PBID geographic boundaries which generally encompass both sides of Lancaster Boulevard inclusive of businesses on the north and south sides of Lancaster Boulevard and with "end caps" from 10th Street West to Sierra Highway where portions of these streets are also included.

Summary:

At the request of LOTS, the continuation of the PBID will allow downtown businesses to effectively pool resources in order to promote the downtown as a center of business, government, cultural, and recreational activities.

Adopting the attached resolution to set the public hearing for the PBID renewal will continue to improve the economic viability of the downtown area and place it in a position to better compete with other commercial, office, and retail centers in the region.