

STAFF REPORT
City of Lancaster, California

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Date: August 14, 2007

To: Mayor Hearn and City Council Members

From: Vern Lawson, Economic Development/Redevelopment Director

Subject: **Levying the Annual Assessment for the Lancaster Downtown Parking and Business Improvement District (PBID) in the Lancaster Old Town Site Area for the 2007-2008 Fiscal Year**

Recommendation:

Adopt **Resolution No. 07-157**, approving the Lancaster Old Town Site 2006-2007 Year-End Report and levying the annual assessment for the Lancaster Downtown Business Improvement District for the 2007-2008 Fiscal Year.

Fiscal Impact:

The annual assessment is expected to generate \$36,000 to the Parking and Business Improvement District (PBID) for the 2007-2008 Fiscal Year.

Background:

The California Streets and Highways Code enable city councils to establish Parking and Business Improvement Districts (PBID) to better address the needs of a business district and raise resources to benefit the district. The Lancaster City Council adopted the Lancaster PBID in November 1989 and also entered an agreement with the Lancaster Old Town Site (LOTS) Committee to administer the PBID and act as the Advisory Board to the City Council. This Agreement requires LOTS to prepare an administrative report outlining the expenditures from the past fiscal year and a request to the City Council to renew the annual assessment for the next fiscal year.

On July 24, 2007 the City Council adopted the Resolution of Intent to set the Public Hearing for August 14, 2007 to consider the PBID annual renewal for Fiscal Year 2007-08. In accordance with the California Streets and Highways Code Section 36500 et. Seq., the Council is required to hear all protests and receive evidence for or against the assessment for the new fiscal year. Proceedings shall terminate if a protest is made in writing on or before the public hearing and a majority of the owners of businesses in PBID that pay 50% or more of the assessments oppose the renewal from the PBID.

Discussion:

Shortly after the City incorporated, business officials discussed ways in which adequate parking for businesses, trades, and professions in the downtown area could be provided for within the boundaries of certain designated zones. Subsequent discussions included promotion of public

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events and the general promotion of business activities and commerce in the area culminating in the adoption of a Parking and Business Improvement District in November 1989.

Exhibit A in the LOTS Annual Report 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.

Through the PBID, LOTS has been an active participant in the revitalization of Downtown. The funding designated by the City and managed by LOTS is used for the economic revitalization and historic preservation of the City’s central business district. Past activities have been the creation of public parking, under grounding utilities, enhanced street improvements, the Aerospace Walk of Honor, and attractive wall murals along the Boulevard.

Pursuant to the LOTS Annual Report, the amount of the PBID assessment is proposed to remain the same as last year (see Exhibit C). The proposed uses to which the revenues from this improvement district will be put include LOTS sponsoring events such as the Hospitality Walk and Celebrate Downtown Lancaster, as well as quarterly mixers which promote community involvement and economic vitality. LOTS also provides valuable input in the creation and implementation of the Downtown Specific Plan and remains a positive advocate in the promotion of Downtown through a monthly newsletter and updated LOTS website.

The continuation of the PBID will allow downtown businesses to effectively pool resources and 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. Should the Resolution to Levy the Annual Assessment be adopted, the City will remain responsible for the collection of revenue from businesses within the PBID, through the City’s Business License Program.