

Council/Agency Meeting Held: _____	_____ City Clerk's Signature
Deferred/Continued to: _____	
<input type="checkbox"/> Approved <input type="checkbox"/> Conditionally Approved <input type="checkbox"/> Denied	
Council Meeting Date:                      2/4/2008	Department ID Number:              ED08-04

**CITY OF HUNTINGTON BEACH  
REQUEST FOR CITY COUNCIL ACTION**

**SUBMITTED TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**SUBMITTED BY:** PAUL EMERY, INTERIM CITY ADMINISTRATOR 

**PREPARED BY:** STANLEY SMALEWITZ, DIRECTOR OF ECONOMIC DEVELOPMENT 

**SUBJECT:** Amend Ordinance and Adopt Resolution for the Huntington Beach Downtown Business Improvement District

**Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)**

**Statement of Issue:** On September 7, 2004, City Council approved Ordinance 3661 establishing the Huntington Beach Downtown Business Improvement District (BID). As required by state law, City Council appointed a "BID Advisory Group" to provide recommendations to City Council regarding BID annual assessments. In order to better assess the needs of the downtown BID, it is necessary to amend Ordinance 3661 to provide City Council the ability to appoint a BID Advisory Board by resolution.

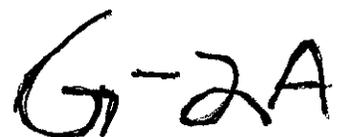
**Funding Source:** n/a

**Recommended Action: Motion to:**

1. Adopt City Ordinance No. 3797, an ordinance of the City of Huntington Beach amending Ordinance No. 3661 which established the Huntington Beach Downtown Business Improvement District.
2. Adopt Resolution No. 2008-04, a Resolution of the City Council of the City of Huntington Beach designating the Downtown Business Improvement District as the Downtown BID Advisory Board.

**Alternative Action(s):**

1. Do not adopt City Ordinance No. 3797 an ordinance of the City of Huntington Beach amending Ordinance No. 3661 which established the Huntington Beach Downtown Business Improvement District.
2. Do not adopt Resolution No. 2008-04, a Resolution of the City Council of the City of Huntington Beach designating the Downtown Business Improvement District as the Downtown BID Advisory Board.



## REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: 2/4/2008

DEPARTMENT ID NUMBER: ED08-04

**Analysis:** The original BID Advisory Group was appointed via Ordinance 3661 and consists of seven members. This group has provided recommendations to City Council yearly, since the BID's inception, regarding the expenditure of revenues derived from annual assessments. The BID has emerged as a group of downtown businesses with a community of interest in improving the financial viability of downtown Huntington Beach. In addition, it is necessary to adopt a resolution appointing the Huntington Beach Downtown Business Improvement District, a newly established non-profit corporation 501 (c) 6, as the BID Advisory Group for fiscal year 2007-2008. An objective of the Main Street Trial Closure was to build the leadership capacity, and the Downtown BID has successfully established itself as a non-profit organization. The Articles of Incorporation for this entity were approved on June 4, 2007, by the State of California. Staff recommends that City Council appoint the Huntington Beach Downtown Business Improvement District, 501(c) 6 non-profit organization, as the BID Advisory Board.

Over the last four years, the collective businesses in the downtown BID area have experienced organizational growth leading to a number of promotional opportunities in the downtown area, including Surf City Nights. Because of this growth, businesses in the area formed a non-profit corporation to bolster resources to meet their strategic goals of promoting economic growth in the downtown. Adopting the proposed amended ordinance and adopting the resolution allows the Downtown BID 501(c) 6 to continue working closely with the City while representing the interests of the businesses within the downtown BID district. Staff recommends that Ordinance No. 3661 be amended to provide Council the flexibility to appoint a BID Advisory Board by resolution. This amendment allows Council to appoint a BID Advisory Board annually (or at any other time during the year) that is representative of the businesses in the downtown.

### Strategic Plan Goal:

- L-4 Create an environment that promotes tourism to increase revenues to support community services and transform the city's economy into a destination economy.

Environmental Status: n/a

### Attachment(s):

City Clerk's Page Number	No.	Description
3	1.	Ordinance No. <u>3797</u> An ordinance of the City of Huntington Beach Amending Ordinance No. 3661 which established the Huntington Beach Downtown Improvement District
5	2.	Resolution No. <u>2008-04</u> A resolution of the City of Huntington Beach designating the Downtown Business Improvement District as the BID Advisory Board
7	3.	Ordinance No. <u>3797</u> Legislative Draft

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# **ATTACHMENT #1**

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AN ORDINANCE OF THE CITY OF HUNTINGTON BEACH  
AMENDING ORDINANCE NO. 3661 WHICH ESTABLISHED THE  
HUNTINGTON BEACH DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

WHEREAS, in September 2004, the City Council adopted Ordinance No. 3661 which established the Huntington Beach Downtown Business Improvement District ("Downtown BID"); and

Section 12 of Ordinance No. 3661 sets forth, among other things, the method for creating the Downtown BID Advisory Board; and

The City Council now wishes to amend a portion of Section 12 in order to designate by Resolution the Downtown BID Advisory Board,

NOW THEREFORE, the City Council of the City of Huntington Beach does hereby ordain as follows:

SECTION 1. Section 12, subsection (a) of Ordinance No. 3661 is hereby amended to read as follows:

SECTION 12. Advisory Board.

(a) Appointment. The City Council shall appoint by Resolution an Advisory Board that shall make recommendations to the City Council on the expenditure of revenues derived from assessments pursuant to this part, on the classification of businesses, and on the method of levying the assessments.

SECTION 2. This ordinance shall become effective 30 days after its adoption.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the \_\_\_\_\_ day of \_\_\_\_\_, 2008

\_\_\_\_\_  
Mayor

ATTEST:

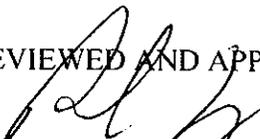
INITIATED AND APPROVED:

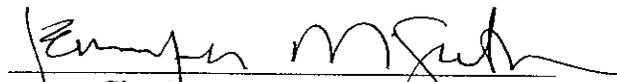
\_\_\_\_\_  
City Clerk

  
\_\_\_\_\_  
Director of Economic Development

REVIEWED AND APPROVED:

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Administrator

  
\_\_\_\_\_  
City Attorney MSV 1-22-08

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# **ATTACHMENT #2**

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RESOLUTION NO. 2008-04

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF HUNTINGTON BEACH DESIGNATING  
THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT  
AS THE DOWNTOWN BID ADVISORY BOARD

WHEREAS, on September 7, 2004 City Council created the Downtown Business Improvement District ("Downtown BID") pursuant to California Streets & Highways Code Section 36500, et seq.; and

Businesses located in the geographical boundaries of the Downtown BID formed a 501(c)6 non-profit corporation known as the Huntington Beach Downtown Business Improvement District to better promote the downtown area of Huntington Beach; and

This non-profit corporation represents the collective interest of businesses in the geographic BID area to promote BID activities,

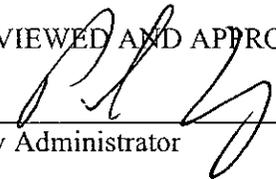
NOW, THEREFORE, the City Council of the City of Huntington Beach does hereby resolve as follows:

Upon the adoption of Ordinance No. 3797, the Huntington Beach Downtown BID, shall be the Downtown BID Advisory Board for the 2007-2008 BID budget year.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Mayor

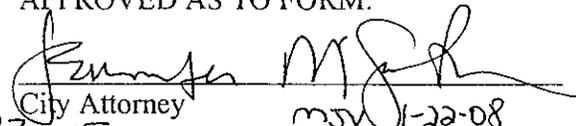
REVIEWED AND APPROVED:

  
\_\_\_\_\_  
City Administrator

INITIATED AND APPROVED:

  
\_\_\_\_\_  
Director of Economic Development

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney  
1-22-08  
msv 1-22-08

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# **ATTACHMENT #3**

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LEGISLATIVE DRAFT

SECTION 12. Advisory Board.

(a) Appointment. The City Council shall appoint ~~a seven member~~ **by Resolution** an Advisory Board that shall make recommendations to the City Council on the expenditure of revenues derived from assessments pursuant to this part, on the classification of businesses, and on the method of levying the assessments.

(b) Annual Report. The Advisory Board shall prepare a report for each fiscal year for which assessments are to be levied. The report shall be filed with the City Clerk and shall comply with all the requirements of Streets and Highways Code Section 36533 as the same may be amended from time to time.

(c) Approval of Report. Pursuant to Act, the City Council may approve the annual report filed by the Advisory Board or may modify any particular item contained in the report and approve it as modified. The City Council shall not approve a change in the basis or method of levying assessments which would impair an executed contract to be paid from the revenues derived from the assessments.

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