



CITY OF POMONA COUNCIL REPORT

Date: May 21, 2018

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted by: Kirk Pelser, Deputy City Manager

Subject: **Adopt a Resolution of Intention to Renew the Downtown Pomona Property and Business Improvement District**

OVERVIEW

Recommendations - That the City Council adopt a Resolution (Attachment 1) expressing its intention to renew the Downtown Pomona Property and Business Improvement District (DPPBID). Adoption of this Resolution will result in a public hearing on July 16, 2018 to consider the renewal of the DPPBID, and the levy of assessments on property owners.

Fiscal Impact - City and Successor Agency to the Redevelopment Agency owned parcels will be assessed approximately \$249,769.73 in the renewed DPPBID.

Public Noticing Requirements - The Property and Business Improvement District Law of 1994 and Proposition 218 require that the City mail written notice and assessment ballots to the owners of all property proposed to be assessed within the renewed DPPBID. Mailing the notice and assessment ballot begins a mandatory forty-five (45) day period in which owners may cast ballots.

Previous Council Action - The most recent City Council action was on May 7, 2018 whereby the City Council adopted a resolution authorizing the City Manager/Executive Director to sign petitions and cast ballots on the behalf of the City and Successor Agency for properties each currently owns within the boundaries of the DPPBID, in favor of renewing and expanding the DPPBIS for a ten year term. Earlier prior actions were related to supporting the prior DPPBID renewal on July 20, 2009, and the initial creation in 2004.

Environmental Impact - Not applicable.

EXECUTIVE SUMMARY

The DPPBID is a benefit assessment district whose main goal is to provide improvements and activities which constitute and convey a special benefit to assessed parcels. This approach has been used successfully in other cities throughout the country to provide special benefits to property owners, namely increased sales, attraction of new tenants, increased occupancies, and specifically increased property values.

The DPPBID was formed in 2004 and renewed in 2009. DPPBID property owners decided to pursue renewal of the DPPBID in order to continue a revenue source devoted to providing special benefits to assessed property owners. If renewed, the DPPBID would generate approximately \$1,009,643 on an annual basis for security; street improvements and maintenance; marketing, promotions, and special events; and related administration that are above and beyond those provided by the City and other government agencies.

DISCUSSION

MANAGEMENT DISTRICT PLAN

The Management District Plan (Attachment 2) includes the proposed boundary of the DPPBID, a service plan, assessment methodology, budget, proposed means of governance, and Engineer's Report. The DPPBID will generally include parcels in the downtown area of the City of Pomona.

The renewed DPPBID will have a ten (10) year life beginning January 1, 2019 and ending December 31, 2028. Near the end of the term, the petition, ballot, and City Council hearing process must be repeated for the DPPBID to be renewed.

The assessment will be collected by the County on an annual basis from each assessed property owner, and forwarded to the City. The City shall forward the assessments to the Downtown Pomona Owners Association, which will have the responsibility of managing DPPBID programs as provided in the Management District Plan.

DISTRICT RENEWAL PROCESS

May 21, 2018

RENEWAL RESOLUTION OF INTENTION HEARING

Upon the submission of a written petition, signed by the property owners in the renewed district who will pay more than fifty percent (50%) of the assessments proposed to be levied, the City Council may initiate proceedings to renew a district by the adoption of a resolution expressing its intention to renew a district.

Petition Status: As of May 15, 2018 Petitions in favor of district renewal were submitted by 36 property owners, which represent 57.70% of the total district assessment. This majority petition result allows the Council to initiate proceedings for DPPBID renewal at the May 21, 2018 meeting.

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RENEWAL NOTICE & PROPOSITION 218 BALLOT

The Property and Business Improvement District Law of 1994 and Proposition 218 require the City mail written notice and assessment ballots to the owners of all property proposed to be assessed within the DPPBID. Mailing the notice and assessment ballot begins a mandatory forty-five (45) day period in which owners may cast ballots.

July 16, 2018

RENEWAL FINAL PUBLIC HEARING

Council will open a public hearing and receive public testimony. At the end of testimony, Council will close the public hearing and direct tabulation of assessment ballots submitted and not withdrawn to determine whether there is a majority protest against the assessment. A majority protest exists if the ballots in opposition to the proposed assessment exceed the ballots in support of the proposed assessment, weighted by the amount each owner will pay. If there is no majority protest, Council may adopt a resolution declaring the results of the majority protest proceedings and renewing the DPPBID.

July 16, 2018

MODIFICATION RESOLUTION OF INTENTION HEARING

Upon the conclusion of the DPPBID renewal process and the written request of the Downtown Pomona Owners Association, the City Council may adopt a resolution expressing its intention to modify the existing DPPBID Management District Plan.

The proposed modification will decrease the existing DPPBID's term so that it ends one (1) year early on December 31, 2018.

August 6, 2018

NOTICE

The modification resolution of intention shall be published at least seven (7) days before the public hearing on the proposed modification and mailed to all property owners at least ten (10) days before the public hearing on the proposed modification.

August 20, 2018

MODIFICATION PUBLIC HEARING

Council will open a public hearing and receive public testimony. At the end of testimony, Council may adopt a resolution modifying the existing DPPBID's Management District Plan.

RECOMMENDATION

That the City Council adopts the attached resolution expressing its intention to renew the Downtown Pomona Property and Business Improvement District (DPPBID)

Attachments:

- 1) Resolution
- 2) Management District Plan with Engineer's Report