

(R-86-1532)

RESOLUTION NUMBER R- 265208

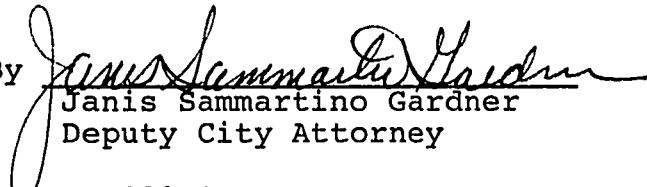
ADOPTED ON MAR 10 1986

A RESOLUTION ESTABLISHING COUNCIL POLICY NO.
900-07 REGARDING FORMATION OF BUSINESS
IMPROVEMENT DISTRICTS.

BE IT RESOLVED, by the Council of The City of San Diego, that Council Policy No. 900-07 regarding formation of business improvement districts be and is hereby established as set forth in the Council Policy filed in the Office of the City Clerk as Document No. RR- 265208.

BE IT FURTHER RESOLVED, that the City Clerk is hereby instructed to add the aforesaid to the Council Policy Manual.

APPROVED: John W. Witt, City Attorney

By 
Janis Sammartino Gardner
Deputy City Attorney

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Or.Dept:Prop.
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COUNCIL POLICY

Formation of Business Improvement Districts

BACKGROUND

Business Improvement Districts (BID's) are authorized by State law (AB 1693) and codified in the California Streets and Highway Code, Sections 36500 through 36581, "Parking and Business Improvement Area Law of 1979", as a tool by which business owners can organize themselves to promote and improve their business district. The law allows an assessment to be placed on businesses and specifies that the revenues thus raised shall be spent within the district for one or more of the following purposes:

- The acquisition, construction, or maintenance of parking facilities for the benefit of the area.
- Decoration of any public place in the area.
- Promotion of public events which are to take place on or in public places in the area.
- Furnishing of music in any public place in the area.
- The general promotion of retail trade activities in the area.
- Any other purpose which may be indicated in future amendments to current State law.

The assessments are collected by the City with the business tax and are disbursed to the district for purposes specified in an annual work program and budget. Such districts may only be formed by City ordinance, and appropriate public hearings are required. BID's can be an effective means by which business owners can improve their own business area and are particularly important in commercial revitalization and redevelopment areas.

PURPOSE

The purpose of this policy is to establish guidelines related to the formation of BID's and to indicate what factors will be considered in Council deliberation regarding formation of such districts.

POLICY

The City Council shall consider the extent to which the following requirements are met when considering district formation:

1. Evidence of support of at least 20% of the business owners in the proposed district, as required by State law. However, Council seeks and encourages support of a majority of business owners.

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2. Appropriateness of goals, objectives and activities to problems/needs of the business district.
3. Extent to which goals, objectives and activities relate to amount of revenue and proposed budget.
4. Extent to which benefit to all businesses within the district is assured.
5. Appropriateness of boundaries and assessment fee structure.
6. Existence of an incorporated entity to contract with the City to administer the District.

It shall be the City's policy that the boundaries of a Business Improvement District include only commercially zoned land and that multi-family residences which are licensed may be included if they lie within those boundaries.

Because businesses with Home Occupancy Permits may not benefit from BID activities, each district may decide to exclude the holders of such a permit from the district. Said exclusion can only be made by ordinance, either at the time of adoption or by amendments. In such a case, the district and the City Manager shall agree upon a method of reimbursement or other means of exclusion as appropriate.

In the event that more than one entity is interested in administering the district budget and activities, Council shall select the administering entity based upon involvement in district formation, familiarity with the proposed district area, expertise/capability to manage the BID budget and work program and approval/support of potential BID members.

PROCEDURAL POLICY

INITIATION: BID's may be initiated by business owners or associations or by a City department in conjunction with redevelopment or revitalization efforts.

COMMITTEE ACTION: The appropriate City Council committee shall consider proposals for formation of a district and shall make a recommendation to the Council regarding approval or disapproval of formation. Committee action shall not required a noticed hearing.

RESOLUTION OF INTENTION: If the City Council approves formation of a BID, it shall adopt a Resolution of Intention which shall then be published as required by law.

NOTICED HEARING: At a time which is noticed at least 10 days prior to the hearing date, the Council shall consider public testimony. A protest by the businesses which would pay a majority of the

assessments shall terminate proceedings. The first reading of the ordinance shall occur at the same noticed hearing.

APPROVAL OF OPERATING AGREEMENTS: The City Council shall approve an operating agreement with the designated BID management entity at the time of the noticed hearing and first reading of the ordinance.

MODIFICATIONS/DISESTABLISHMENTS: Modification may be made only by City Council ordinance. The City Council may disestablish a BID by issuing a Resolution of Intention and ordinance following a noticed public hearing.

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Passed and adopted by the Council of The City of San Diego on MAR 10 1986,
by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gloria McColl	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Uvaldo Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> VACANT

AUTHENTICATED BY:

ED STRUIKSMA
Deputy Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California.

By Ellen Board, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number R-265208 Adopted MAR 10 1986

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