



**DATE:** November 5, 2019

**CATEGORY:** Public Hearing

**DEPT.:** Community Development

**TITLE:** **Public Hearing on Downtown Business Improvement Areas No. 1 and No. 2 and Allocation of 2020 Business Improvement Area Revenues**

### **RECOMMENDATION**

1. Adopt a Resolution Levying the Annual Benefit Assessments for Fiscal Year 2019-20 for Downtown Mountain View Business Improvement Area No. 1, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution Levying the Annual Benefit Assessments for Fiscal Year 2019-20 for Downtown Mountain View Business Improvement Area No. 2, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Authorize the City Manager to execute a contract for services with the Central Business Association for 2020 and authorize the allocation of 2020 revenues from Business Improvement Area No. 1 and Business Improvement Area No. 2 to the Central Business Association.

### **BACKGROUND**

Mountain View has two Business Improvement Areas (BIAs) originally created by the downtown businesses and Central Business Association (CBA). The 1983 Business Improvement Area, BIA No. 1, includes the entire length of Castro Street (West Evelyn Avenue to El Camino Real) and some side streets. BIA No. 1 fees are based upon type of business, specifically restaurant, retail, and professional (i.e., office). The 1991 Business Improvement Area, BIA No. 2, includes the 100, 200, and 300 blocks of Castro Street, and the fees are based upon type of business (restaurant, retail, or professional) and size of business (square feet). Businesses within both BIAs pay both fees and the total BIA revenues are then allocated to the CBA. The CBA utilizes BIA revenues for promoting downtown, coordinating special events, and providing business advocacy. Due to the departure of the Executive Director, the Board of Directors is developing and finalizing new goals and work plan before the 2021 BIA renewal. As such, A La Carte

and Art in 2020 will not take place, but the CBA will continue to promote downtown Mountain View.

### **ANALYSIS**

State law requires the annual renewal of both BIAs under two public hearings in order to levy the assessments and authorize the allocation of revenues. At the first public hearing on October 1, 2019 (Attachment 3), the City Council unanimously approved the preliminary approval of the assessments and the second public hearing. At tonight's public hearing, the City Council will be asked to levy the BIA assessments, authorize the City Manager to execute a contract for services with the CBA, and allocate the 2020 revenues from both areas to the CBA. After the City Council takes final action, staff will work with the CBA to finalize the contract. BIA assessment amounts will be included with business license renewal notices and will be sent in January to businesses located within the BIA boundaries. Staff will also work with the CBA to ensure that businesses pay their BIA fees.

### **FISCAL IMPACT**

All 300-plus downtown businesses are included in BIA No. 1 and are assessed \$50 (professional), \$150 (retail), or \$200 (restaurant). Businesses in BIA No. 2 are assessed an additional \$25 to \$175 depending on square footage of the business. The CBA projects revenues from the two areas to be \$32,550 for BIA No. 1 and \$9,425 for BIA No. 2 (total of \$41,975 from both BIAs). The CBA does not propose an increase or change in the 2020 assessment, including the rate/methodology.

### **ALTERNATIVES**

1. Do not adopt the resolutions levying the BIA assessments. If the resolutions are not adopted, the assessments would not be collected, and there would be no allocation of the 2020 BIAs revenue to the CBA. The CBA would need to seek new funding or reduce its programming.
2. Provide other direction.

### **PUBLIC NOTICING**

Notice of this public meeting was included in the standard Council agenda notice and posting procedures. Notice of the public hearing was mailed to all businesses in the

two areas and published in the *San Jose Post Record*—the official record for the City of Mountain View.

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- Attachments:
1. Resolution Levying Annual Assessment for BIA No. 1
  2. Resolution Levying Annual Assessment for BIA No. 2
  3. October 1, 2019 Council Report
  4. Business Improvement Area Annual Report 2019