



# COUNCIL REPORT

**DATE:** November 15, 2022

**CATEGORY:** Public Hearing

**DEPT.:** Community Development

**TITLE:** **Public Hearing on Downtown Business Improvement Areas and Allocation of 2023 Business Improvement Areas Revenues**

## **RECOMMENDATION**

1. Adopt a Resolution of the City Council of the City of Mountain View Levying the Annual Benefit Assessments for Calendar Year 2023 for Downtown Mountain View Business Improvement Area No. 1 and Authorizing the City Manager or Designee to Allocate the Assessments to Fund a Contract for Services with the Mountain View Chamber of Commerce, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Levying the Annual Benefit Assessments for Calendar Year 2023 for Downtown Mountain View Business Improvement Area No. 2 and Authorizing the City Manager or Designee to Allocate the Assessments to Fund a Contract for Services with the Mountain View Chamber of Commerce, to be read in title only, further reading waived (Attachment 2 to the Council report).

## **BACKGROUND**

Mountain View has two Business Improvement Areas (BIAs) originally created by the downtown businesses and the Downtown Business Association (DBA). 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 Mountain View Chamber of Commerce (Chamber). The Chamber utilizes BIA revenues for promoting downtown, coordinating special events, and providing business advocacy.

## **ANALYSIS**

State law requires the annual renewal of both BIAs go through a public meeting as well as a public hearing in order to levy the assessments and authorize the allocation of revenues. At the first public meeting on October 11, 2022 (Attachment 3), the City Council unanimously approved the annual report prepared by the Chamber, adopted resolutions of intent to levy the assessments, and set the public hearing. At tonight's public hearing, the City Council will be asked to levy the BIA assessments and allocate the 2023 revenues from both areas to the Chamber to fund assessment activities in 2023. The Chamber would utilize allocated funds for 2023 pursuant to the contract the City executed with the Chamber in 2021. After the City Council takes final action, BIA assessment amounts will be included with business license renewal notices and sent in January to businesses located within the BIA boundaries. Staff will work with the Chamber 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 Chamber projects revenues from the two areas to be \$31,000 for BIA No. 1 and \$9,675 for BIA No. 2 (total of \$40,675 from both BIAs). The Chamber does not propose an increase or change in the 2023 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 2023 BIAs revenue to the Chamber. The Chamber would need to seek new funding or reduce its programming.
2. Provide other direction.

**PUBLIC NOTICING**

Notice of this public hearing 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 *Daily Post Journal*, the official record for the City of Mountain View.

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Attachments:   1.   Resolution to Levy Assessments for BIA No. 1  
                  2.   Resolution to Levy Assessments for BIA No. 2  
                  3.   October 11, 2022 Council Report

cc:     Mountain View Chamber of Commerce