



COUNCIL REPORT

DATE: October 22, 2024

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **Downtown Business Improvement Areas and Allocation of 2025 Business Improvement Areas Revenues**

RECOMMENDATION

1. Adopt a Resolution of the City Council of the City of Mountain View Confirming the Annual Report of the Downtown Mountain View Business Improvement Area No. 1 and Levying the Annual Benefit Assessments for Calendar Year 2025, 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 Confirming the Annual Report of the Downtown Mountain View Business Improvement Area No. 2 and Levying the Annual Benefit Assessments for Calendar Year 2025, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Authorize the City Manager or designee to allocate the 2025 revenues from Business Improvement Area No. 1 and Business Improvement Area No. 2 to the Mountain View Chamber of Commerce to fund a disbursement agreement with the Mountain View Chamber of Commerce to accomplish the purposes of the areas.

BACKGROUND

Mountain View has two Business Improvement Areas (BIAs) originally created by the downtown businesses and 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 to levy the assessments and authorize the allocation of revenues. At the first public meeting on September 24, 2024 (Attachment 3), the City Council unanimously approved the preliminary approval of 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 2025 revenues from both areas to the Chamber to fund assessment activities in 2025. The Chamber would utilize allocated funds for 2025 pursuant to disbursement agreement terms. After the City Council takes final action, BIA assessment amounts will be included with business license renewal notices and sent in November 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 an annual fee of \$50 (professional), \$150 (retail), or \$200 (restaurant). Businesses in BIA No. 2 are assessed an additional fee of \$25 to \$175, depending on the square footage of the business. The Chamber projects revenues from the two areas to be \$34,750 for BIA No. 1 and \$11,125 for BIA No. 2 (total of \$45,875 from both BIAs). The Chamber is not proposing an increase or change in the 2025 assessment, including the rate/methodology, when compared to the 2024 assessment.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a “license, permit, or other entitlement for use” if the official has received a campaign contribution exceeding \$250 from a party, participant, or agent of a party or participant in the proceeding within the last 12 months. A city official is similarly prohibited from accepting, soliciting, or directing a campaign contribution exceeding \$250 from a party, participant, or agent of a party or participant to any proceeding involving a license, permit, or other entitlement for use for 12 months after a final decision is rendered in said proceeding.

Please refer to the “X” in the checklist below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

SUBJECT TO THE LEVINE ACT

- Land development entitlements
- Other permit, license, or entitlement for use
- Contract or franchise

EXEMPT FROM THE LEVINE ACT

- Competitively bid contract
- Labor or personal employment contract
- General policy and legislative actions

For more information about the Levine Act, please see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html.

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 BIAs' 2025 revenues to the Chamber. As a result, 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 of Intention to Levy Assessments for BIA No. 1
 2. Resolution of Intention to Levy Assessments for BIA No. 2
 3. September 24, 2024 Council Report

cc: Mountain View Chamber of Commerce