

CITY OF YUBA CITY
STAFF REPORT

Date: December 20, 2022
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Diana Langley, City Manager

Summary

Subject: Levy of the 2023 Annual Assessment of the Downtown Yuba City Business Improvement District

Recommendation: A. Conduct a Public Hearing, and after consideration,
B. Adopt a Resolution confirming the Annual Report for the Yuba City Downtown Business Association and levying the assessment for the Downtown Business Improvement District for calendar year 2023

Fiscal Impact: None related to levy and collection of annual assessments.

Purpose:

To continue the Downtown Yuba City Business Improvement District.

Council's Strategic Goal:

This item addresses Council's Strategic Goals of Business Friendly and Fiscal Responsibility.

Background:

At the meeting of November 15, 2022, the City Council received the 2022-2023 Annual Report from the Yuba City Downtown Business Association and adopted Resolution No. 22-165 declaring its intention to levy and collect an annual assessment for calendar year 2023 in the Downtown Yuba City Business Improvement District (BID). A Public Hearing was set for December 20, 2022. The notice of Public Hearing was published in the Appeal Democrat on December 10, 2022.

The purpose of the Public Hearing is for the City Council to hear and consider all protests against the levying of the proposed assessments. The City Council should note that the Annual Report proposes no changes to the BID boundaries or the assessment formula as originally established.

Analysis:

After the Public Hearing, the City Council may take one of the following actions:

1. Terminate proceedings if protests are received from business owners in the proposed district who collectively pay 50% or more of the proposed assessment (a "majority protest"). If the majority protest is only against the furnishing of a specified type of improvement or activity within the district, those types of improvements or activities shall be eliminated.
2. Order changes in any of the matters provided in the Annual Report including: 1) Changes in the proposed assessments, 2) The proposed improvements and activities to be funded with the revenues derived from the levy of the assessments, and 3) The proposed boundaries of the area and any benefit zones with the area. The City Council cannot change the boundaries to include any territory that will not, in its judgment, benefit by the improvement of activity.
3. Continue the Public Hearing with the understanding that the Public Hearing must be completed within 30 days.
4. Adopt a Resolution confirming the Annual Report as originally filed or as amended. The adoption of the Resolution constitutes the levy of the assessment for calendar year 2023.

Fiscal Impact:

While there is no direct fiscal impact to the City related to the levy and collection of annual assessments, the funds generated through the BID are used to promote the downtown merchants, which provide sales tax revenue to the City.

Alternatives:

1. Do not levy assessments.
2. Identify alternate funding source for Downtown improvements and activities.

Recommendation:

A. Conduct a Public Hearing, and after consideration,

B. Adopt a Resolution confirming the Annual Report for the Yuba City Downtown Business Association and levying the assessment for the Downtown Business Improvement District for calendar year 2023

Attachments:

1. Attachment 1 - Resolution - Confirming the Annual Report and Levying the Assessment
2. DBA Map and Formula Attachment

Prepared By:
Diana Langley
City Manager

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
CONFIRMING THE ANNUAL REPORT FOR THE YUBA CITY DOWNTOWN BUSINESS
ASSOCIATION AND LEVYING THE ASSESSMENT FOR THE DOWNTOWN YUBA CITY
BUSINESS IMPROVEMENT DISTRICT FOR CALENDAR YEAR 2023**

WHEREAS, on November 15, 2022, the Yuba City Council adopted Resolution No. 22-165 (the "Resolution") declaring its intention to levy and collect an annual assessment for calendar year 2023 in the Downtown Yuba City Business Improvement District (the "District") pursuant to the Parking and Business Improvement Area Law of 1989, Part 6, (commencing with Section 36500) of Division 18 of the California Streets and Highways Code (the "Act"); and

WHEREAS, pursuant to the Act and the Resolution, the City of Yuba City published a Notice of Public Hearing on December 10, 2022 regarding the proposed levy of the 2023 Annual Assessment for the Downtown Business Improvement District; and

WHEREAS, the Public Hearing has been held and the City Council has heard and considered all oral and written protests and other comments regarding the levying of the proposed assessments; and

WHEREAS, protests from businesses in the District paying fifty percent (50%) or more of the proposed assessments have not been received.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YUBA CITY DOES HEREBY RESOLVE, DETERMINE, AND FIND AS FOLLOWS:

1. The recitals set forth herein are true and correct.
2. The City Council does confirm the Annual Report as originally filed by the Yuba City Downtown Business Association.
3. This Resolution is effective on its adoption and constitutes the levy of the assessment for calendar year 2023 for the Downtown Yuba City Business Improvement District as referred to in the Annual Report, for those properties depicted in Attachment "A" and per the levy rate formula as set forth in Attachment "B".

I HEREBY CERTIFY that the foregoing resolution was introduced and read at a Regular Meeting of the City Council of the City of Yuba City on the 20th day of December 2022, and was duly adopted at said meeting by the following vote:

AYES:

NOES:

ABSENT:

Wade Kirchner, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachments:

- A. Map of District
- B. District Assessment Formula

EXHIBIT A

Yuba City - Downtown Plumas Street Area



EXHIBIT B

District Assessment Formula

The Business Improvement District (BID) is a self-initiated business district funded by an annual assessment based on a formula developed by the Downtown Yuba City Business Improvement District Formation Committee. The assessments will be used to fund improvements and activities in the BID designed for economic stimulation and business enhancement for the businesses in the BID. The assessment formula is based on type, size and location of businesses in order to offer a fair and equitable charge for each business in the BID.

Retail, Restaurant and Service Businesses: Includes businesses that buy and resell goods such as clothing stores, shoe stores, office supplies, businesses that sell prepared foods and drinks, general office, news and advertising media, printers, photographers, personal care facilities and outlets, contractors, builders, service stations, repairing and servicing businesses, renting and leasing businesses, utilities, vending machine businesses, household finance companies, theaters and entertainment-oriented businesses, and other similar businesses not otherwise defined in the other categories.

Professional Business: Includes attorneys, architects, accountants, engineers, surveyors, physicians, dentists, optometrists, chiropractors and others in a medical/health service field, consultants, real estate brokers, financial advisors, laboratories (including dental and optical), hearing aid services, artists and designers, and similar businesses.

Lodging Businesses: Includes inns, hotels, motels, RV parks, and other similar businesses.

Financial Institutions: Includes banks, savings & loans, credit unions, and similar businesses.

Associate Members: Businesses outside the BID boundaries that would like to participate will be charged.

Note: Retail and restaurant businesses will be assessed on size which will be determined by number of employees, either full-time or the equivalent made up of multiples of part-time employees.

Business Type	Business Size (Number of Employees)	Annual Assessment Zone	
		A	B
Retail, Restaurant and Service	Small (1-4)	\$385	\$180
	Medium (5-9)	\$560	\$285
	Large (10+)	\$735	\$380
Professional Business		\$350	\$180
Lodging Business		\$560	\$285
Financial Business		\$875	\$725