



Meeting Date: 07 /25 /06

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input checked="" type="checkbox"/> Public Hearing
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: ^{MA} Maureen Hooper, Redevelopment Project Manager Agenda Item No. L-1

Reviewed By: City Manager MEB City Attorney BA Finance MM Other (Specify) _____

DATE: July 17, 2006

TO: City Council

FROM: Curtis P. Cannon, Director Brian D. Pundleton (for)
Community Development Department

SUBJECT: **Public Hearing on Renewal/Expansion of the Oxnard Downtown Management District and Levy of Assessments**

RECOMMENDATION

That City Council:

1. Conduct a public hearing concerning the renewal and expansion of the Oxnard Downtown Management District (ODMD) and tabulate the ballots for and against its establishment.
2. If a weighted majority of the ballots are in support of the formation of the district, adopt a resolution renewing and expanding the ODMD and levying assessments in the ODMD for 2006-2010.

DISCUSSION

On June 6, 2006, the City Council adopted a Resolution of Intent (Resolution #13,070) to renew and expand the ODMD and levy and collect assessments therein, and to hold a public hearing on July 25, 2006. The resolution was adopted pursuant to the requirements of Section 36600 et. seq. of the California Streets and Highways code, also known as the Property and Business Improvement District (PBID) Law of 1994. Also pursuant to PBID law, the City Clerk mailed a ballot and informational packet for the renewal and expansion of the ODMD to the property owners within the proposed district boundaries. At the July 25th public hearing, the City Council will receive public testimony on the renewal and expansion of the ODMD and the proposed assessments. The City Clerk will open and count the ballots received at the conclusion of the public input portion of the public hearing. In order for the district to be renewed, a weighted majority of ballots received must be in favor of the ODMD renewal.

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Assuming that a weighted majority of the vote supports the renewal, the City Council may renew and expand the ODMD by adopting a resolution. ODMD assessments are collected by the County with the property tax billing. The first assessment installment of the renewal period will be due to the County from the property owners by December 10, 2006 and the second by April 10, 2007. The assessments collected by the County will be transferred back to the City in January and May 2007 for remittance to ODMD, Inc. to carry out the PBID programs and services for the PBID 2007 (calendar) fiscal year. The term of the PBID is five calendar years, after which a new petition and ballot procedure must be carried out to renew the district again.

Since last fall, a PBID Renewal Committee, consisting of Downtown property and business owners has been meeting to formulate the details of the PBID renewal. The Committee has determined that the PBID renewal period will be a five-year period (although 10 years maximum are currently permitted by State Law for renewals), and that the PBID boundaries will be expanded slightly to the south and east to include the Meta Street neighborhood as well as both sides of Oxnard Boulevard south to Wooley Road, and that an initial annual budget of approximately \$520,000 be set to continue to provide enhanced maintenance, enhanced security, marketing/promotions, physical amenities, and related management services. The expanded PBID boundary includes approximately a 40-block area bounded roughly by Second Street on the north, the railroad tracks/Oxnard Boulevard on the east, Wooley Road on the south, and C Street/D Street on the west. (Please refer to the map in Attachment #3.) Assessment fees for the remaining four years may be increased by an amount not to exceed five (5) percent per year, either in accordance with increases in the Consumer Price Index, for all Urban Consumers, for the Los Angeles, Riverside, Orange County metropolitan area, or upon approval by the ODMD Inc. Board. An annual report and fiscal audit are required from the ODMD.

As addressed in a companion item scheduled on the same agenda, the assessments for the City of Oxnard, Community Development Commission, Housing Authority, and Parking Authority properties as assessees, would be \$123,527, which will be combined with the PBID assessment funding of \$396,164 from the remaining properties within the proposed renewed/expanded district boundary.

PBID PROPOSAL

The combined funds of \$519,691 are proposed to be allocated as follows during the first renewal year. Sample programs and services will be:

Maintenance

\$242,410

Daily pickup of litter from all sidewalks, gutters, alleys, and public parking lots; daily inspection and emptying of sidewalk trash bins; daily mechanical sweeping of gutters; monthly mechanical sweeping of all sidewalks, alleys, and public parking lots; regular mechanical scrubbing and steam washing of all sidewalk areas.

Public Safety

\$76,000

Additional Downtown safety personnel to patrol on foot or on bicycle; act as community ambassadors to assist visitors with directions and information; report graffiti, non-operational street lights, deter loitering, and other security activities.

Marketing/Promotions

\$90,600

Conduct or support a series of festive Downtown events and activities; sales and business promotions; advertising of Downtown Oxnard's diverse array of goods and services; marketing of business and property investment opportunities in Downtown; marketing of available space for lease or sale.

Amenities and Improvements

\$20,000

Expansion of desirable streetscape elements such as banners, trash bins, planters, and hanging flower baskets; seeking of matching grants from public and private sources for streetscape amenities.

Management/Operations

\$90,690

Full-time professional staff to manage District programs and activities; full service office to assist property and business owners with their Downtown-related needs; lobbying efforts on Downtown issues and needs.

FINANCIAL IMPACT

There are no financial impacts associated with the recommended action. However, there will be a financial impact in the form of assessments levied on City and City related properties at such a time that the District is renewed, to be determined by City Council action at the July 25th public hearing. The estimated amount of annual assessment for the related City/CDC/Housing Authority/Parking Authority properties is \$123,527, which would be in effect during fiscal year 2006-2007, if the District is renewed. There are sufficient funds available in the merged Central City Revitalization Project (CCRP)/R108 Project Areas for the first annual assessment for the renewed district.

The assessment funds paid into the ODMD are administered by the ODMD Board of Directors. The five general areas of expenditures are Maintenance, Public Safety, Marketing/Promotions, Amenities and Improvements, and Management/Operations, as referenced previously in this report.

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Attachment #1 - Resolution of the City of Oxnard Renewing and Expanding the Oxnard Downtown Management District

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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD TO RENEW AND EXPAND THE OXNARD DOWNTOWN MANAGEMENT DISTRICT

WHEREAS, pursuant to the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 et seq (the "Act"), the Oxnard City Council adopted Resolution No. 13,070, dated June 6, 2006, entitled "A Resolution of the City Council of the City of Oxnard Stating its Intention to Renew and Expand the Oxnard Downtown Management District and to Levy and Collect Assessments Within Such District Pursuant to the Property and Business Improvement District Law of 1994, Part 7 of Division 18 of the California Streets and Highways Code and Appointing a Time and Place for Hearing Objections Thereto." Such resolution, among other things, adopted the Management District Plan on file in the office of the City Clerk; and

WHEREAS, the City caused notice of a public hearing concerning the proposed renewal and expansion of the Oxnard Downtown Management District and the proposed levy of assessments within such District to be duly mailed, as required by law, to the record owner of each parcel proposed to be assessed within the District.

WHEREAS, a public hearing concerning the proposed renewal and expansion of the Oxnard Downtown Management District for a five (5) year period and the proposed levy of assessments within such District was held on July 25th, 2006 at the hour of 7:00 p.m. in the City Council Chambers at 305 West Third Street, Oxnard, California 93030.

WHEREAS, at the public hearing, staff presented to the City Council the Management District Plan along with modifications, if any. Such modifications do not substantially change the proposed assessments from those described in Resolution No. 13,070, and do not revise, change or modify the boundaries of the proposed District, the type or types of improvements or activities to be funded with the revenues from the assessments, or the proposed assessment rates from those described in Resolution No. 13,070. The City Council hereby orders such modifications, if any, to the Management District Plan as presented to the City Council and now on file in the office of the City Clerk.

WHEREAS, at the public hearing, the testimony of all interested persons for or against the establishment of the Oxnard Downtown Management District, the levy of assessments within such District, and the type or types of improvements and activities to be funded with the revenues from the assessments was heard and considered, and a full, fair and complete hearing was held.

WHEREAS, the City Council heard and considered all objections or protests to the proposed assessments and tabulated the assessment ballots submitted, and not withdrawn, in support of or opposition to the proposed assessments. The City Council hereby finds that a majority protest does not exist as defined in Section 4(e) of Article XIID of the California Constitution and Section 53753 of the California Government Code. All objections or protests, both written and oral, are hereby duly overruled.

WHEREAS, the public interest, convenience and necessity require the proposed renewal and expansion of the Oxnard Downtown Management District.

WHEREAS, in the opinion of the City Council, the property within the Oxnard Downtown Management District will be benefited by the improvements and activities to be funded by the assessments, and no assessment has been imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel; now therefore let it be

RESOLVED, that the City Council of the City of Oxnard declares as follows:

Section 1. Renewal and Expansion of District. Pursuant to the Act, the Oxnard Downtown Management District (the "District") is hereby renewed and expanded.

Section 2. Description of District. The boundaries of the proposed renewed and expanded District include an approximate 40 block area bounded roughly by Second Street on the north, the railroad tracks/Oxnard Boulevard on the east, Wooley Road on the south and C Street/D Street on the west.

Section 3. Amount of Assessment.

(a) Except where funds are otherwise available, an assessment will be levied annually to pay for all the improvements and activities to be provided within the District, commencing with fiscal year 2006-07 and ending with fiscal year 2010-11. For purposes of levying and collecting assessments within the District, a fiscal year shall commence on each July 1st and end on the following June 30th.

(b) The total amount of the proposed assessment to be levied and collected for fiscal year 2006-07 shall be \$519,847. Future assessments are subject to annual increases based either upon the annual Los Angeles - Ventura Consumer Price Index for all urban consumers or upon approval by the Oxnard Downtown Management District Board, in either case not to exceed 5% per year. Assessments may also be increased in certain cases based on new building construction on parcels within the District where the building area exceeds any former building area.

(c) The method and basis of levying the assessment is set forth in the Management District Plan on file in the office of the City Clerk.

Section 4. Fund. There is created a special fund designated as the "Oxnard Downtown Management District Fund" into which all revenue derived from assessments levied pursuant to this Resolution shall be placed, and such funds shall be used only for the purposes specified in this Resolution. This fund shall be subject to an annual independent audit of financial statements.

Section 5. Use of Revenues. The proposed activities for the District include providing street, sidewalk, alley and public parking lot cleaning and other municipal services supplemental to those normally provided by the City of Oxnard, additional public safety services, promotions and marketing, expansion of physical amenities throughout Downtown, related management and operation services, and other improvements and activities which benefit businesses and real property located in the District. The above improvements and activities will be funded by the levy of the assessments. The revenue from the levy of the assessments within the District shall not be used to provide improvements or activities outside the District or for any purpose other than the purposes specified in Resolution No. 13,070 of the City Council.

Section 6. Contract Services. The City shall contract with the Oxnard Downtown Management District Inc., a non-profit entity, to administer the activities described in Section 6 above. Oxnard Downtown Management District Inc. will hold funds in trust for purposes related to the contract and may be required to, at no expense to the City, provide an annual independent report of audited financial statements by a certified public accountant of these funds. The report may be funded from assessment proceeds as part of the general administration of the District. At all times the City shall reserve full rights of accounting of this fund.

Section 7. Amendments. Properties within the District established by this Resolution shall be subject to any amendments to the Act.

Section 8. Recordation of Notice and Diagram. The City Clerk or a designee is hereby authorized and directed to record a notice and an assessment diagram pursuant to Section 36627 of the California Streets and Highways Code following adoption of this Resolution.

Section 9. Levy of Assessment. The adoption of this Resolution and recordation of the notice and assessment diagram pursuant to Section 36627 of the California Streets and Highways Code constitutes the levy of an assessment in each of the fiscal years referred to in the Management District Plan. Each year, the County Auditor of the County of Ventura shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected.

Section 10. Baseline Services. To ensure that assessment revenues from the District are used to enhance the current level of services provided by the City within the District, the City Council hereby establishes the baseline levels of service set forth in the Management District Plan throughout the duration of the District; provided, however, that in the event of a significant downturn in citywide revenues, the City Council may reduce the level of public services citywide, including within the District.

Resolution No.
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PASSED, APPROVED and ADOPTED this 25th day of July, 2006, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Daniel Martinez, City Clerk

Dr. Thomas E. Holden, Mayor

APPROVED AS TO FORM:

Gary L. Gillig, City Attorney

APPROVED AS TO CONTENT:



Curtis P. Cannon,
Community Development Director

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ATTACHMENT NO. 1
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