



CITY COUNCIL STAFF REPORT

DATE: June 17, 2009 CONSENT CALENDAR

SUBJECT: APPROVE MODIFICATIONS TO BYLAWS OF THE PALM SPRINGS
BUSINESS IMPROVEMENT DISTRICT

FROM: David H. Ready, City Manager

BY: Community & Economic Development

SUMMARY

The City Council will consider approving a minor change to the Bylaws of the Palm Springs Business Improvement District formally adopted on July 18, 2007 for the purpose of developing a sustainable marketing and promotion program for the Downtown and Uptown areas of the City of Palm Springs.

RECOMMENDATION:

Adopt Resolution No. ___ "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS APPROVING THE BYLAWS OF THE PALM SPRINGS BUSINESS IMPROVEMENT DISTRICT AND SUPERSEDING RESOLUTION NO. 21996."

STAFF ANALYSIS:

On February 21, 2007 the City Council adopted Ordinance No. 1709, establishing the Palm Springs Business Improvement District. The Business Improvement District's focus is to develop a sustainable marketing and promotion program to increase the economic vitality of the downtown and uptown areas of the City.

The Palm Springs Business Improvement District Bylaws establishes the rules by which the Main Street Executive Board and the Business Improvement District Marketing Steering Committee shall operate. The Main Street Board is designated in the BID Ordinance to administer the program. In the event of any inconsistencies in the Business Improvement District Bylaws, the Palm Springs Business Improvement District (BID) Ordinance No. 1709 shall prevail.

On May 26, 2009, the Main Street Board of Directors reviewed the Bylaws for the Palm Springs Business Improvement District, and voted 10/0 to submit a recommendation to the City Council to amend the Bylaws to include two year terms to serve by the committee members.


Staff recommends adding language to the Bylaws under ARTICLE V, PROGRAM EXECUTION Section 1 (last sentence): The Business Improvement District Steering Committee: Members of the Committee shall serve for two year terms, except that in order to ensure a stagger of appointees, the initial appointments shall be for staggered one or two year terms as determined by drawing of straws at the next Business Improvement District Steering Committee meeting.

FISCAL IMPACT:

No fiscal impact.



Cathy Van Horn
Economic Development Administrator



David H. Ready, City Manager



Tom Wilson, Assistant City Manager

Attachments:
Resolution
Bylaws (Amended)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS APPROVING THE BYLAWS OF THE PALM SPRINGS BUSINESS IMPROVEMENT DISTRICT AND SUPERSEDING RESOLUTION NO. 21996

WHEREAS, the City Council adopted Ordinance No. 1709 establishing the Palm Springs Business Improvement District; and

WHEREAS, on June 28, 2007, the Main Street Executive Board adopted the Bylaws of the Palm Springs Business Improvement District; and

WHEREAS, the City Council adopted Resolution No. 21996 approving Bylaws for the Palm Springs Business Improvement District;

WHEREAS, the Main Street Board of Directors has recommenced to the City Council a modification to such Bylaws by over a 2/3rds vote.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Bylaws of the Palm Springs Business Improvement District, attached as Exhibit "A", are hereby approved.

SECTION 2. Resolution No. 21996 previously approving Bylaws of the Palm Springs Business Improvement District is hereby superseded.

ADOPTED this 17th day of June, 2009.

David H. Ready, City Manager

ATTEST:

James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on July 18, 2007 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, City Clerk
City of Palm Springs, California

**BYLAWS
OF THE
PALM SPRINGS
BUSINESS IMPROVEMENT DISTRICT**

By the authority of and within the limitations imposed by California state law, the City Council of the City of Palm Springs, California has established the Palm Springs Business Improvement District by Ordinance No. 1709, adopted on February 21, 2007.

Subject to the explicit oversight powers of the Council, the Palm Springs Business Improvement District is formed for the purpose set forth in the Parking and Business Improvement Area Law of 1989 (California Streets and Highways Code Part 6 of Division 18 starting with Section 36500) (the "Law"). The Board of Directors of Main Street Palm Springs, a California Nonprofit Benefit Corporation 501(c)(6), shall act as the Advisory Board to the Palm Springs City Council.

**ARTICLE I
PURPOSE**

The purpose of the Business Improvement District is to develop a sustainable marketing and promotion program to increase the economic vitality of the downtown and uptown areas of the City of Palm Springs.

Main Street Palm Springs ("Main Street") and the City of Palm Springs ("City") have determined that the establishment of a Business Improvement District and the levy of assessments will promote the economic revitalization of the downtown and uptown areas of the City, increase consumer vehicle and pedestrian traffic, create jobs, attract new businesses, and retain existing businesses in these areas.

**ARTICLE II
BOUNDARIES/MEMBERSHIP**

The Business Improvement District boundaries include all businesses on Palm Canyon Drive, north of Ramon Road and south of Tachevah Drive along both sides of the street; Indian Canyon Drive, north of Ramon Road and south of Alejo Road along both sides the street; Belardo Road, north of Ramon Road and south of Alejo Road on both sides of the street; Museum Drive on both sides of the street; Tahquitz Canyon Way west of Indian Canyon Drive on both sides of the street; La Plaza; Andreas Plaza; Amado Road; Arenas Road; and Baristo Road from Indian Canyon Drive west to Belardo Road on both sides of the street.

**ARTICLE III
FEE STRUCTURE**

The assessment levied on each business required to pay business license taxes and located within the area of the District shall be:

Category A –Retail

500	sq.ft.	or less	\$250
501	sq.ft.	- 1,000 sq.ft.	\$300
1,001	sq.ft.	- 1,500 sq.ft.	\$350
1,501	sq.ft.	- 2,000 sq.ft.	\$400
2,001	sq.ft.	and over	\$500

Category B-1– Office Ground Level

500	sq.ft.	or less	\$200
501	sq.ft.	- 1,000 sq.ft.	\$250
1,001	sq.ft.	- 1,500 sq.ft.	\$300
1,501	sq.ft.	- 2,000 sq.ft.	\$400
2,001	sq.ft.	and over	\$500

Category B-2 Office 2nd or higher floor level

\$150
\$200
\$250
\$300
\$400

Category C – Restaurants, Bars and Clubs

1 - 25	seats	\$300
26 - 50	seats	\$350
51 - 75	seats	\$400
76 - 100	seats	\$450
101 -	seats and over	\$500

Category D - Theaters

1 -100 seats	\$250
Over 100 seats	\$500

Category E – Hotels

1 – 25 rooms	\$350
26 – 50 rooms	\$400
Over 50 rooms	\$500

Note: The term "business" includes each establishment, firm, medical office, or similar entity doing business within the District, but does not include each professional responsible for the payment of a business license pursuant to Section 3.90.200 of the Palm Springs Municipal Code, so long as each such professional is a member, subcontractor or employee of a business paying an assessment as provided in the Business Improvement District Ordinance No.1709.

**ARTICLE IV
ADVISORY BOARD**

Section 1. Main Street Palm Springs is a California Nonprofit Benefit Corporation consisting of elected and appointed Board Members. The Main Street Board Members ("Board") is designated as the Business Improvement District Advisory Board for the purpose of making recommendations to the Palm Springs City Council and shall perform the following duties:

1. Create a Marketing and Promotions Program
2. Develop an Annual Program Budget
3. Oversee Implementation of the Program

The Board shall establish rules and regulations as it deems necessary for the conduct of its business. The Board shall establish a Business Improvement

District Steering Committee to develop and implement the marketing and promotions program.

Section 2. The City Manager shall designate a staff liaison to assist the Advisory Board to administer the Business Improvement District program.

The City Council shall review and approve the Business Improvement District Annual Budget and review the Program submitted by the Advisory Board no less than twice yearly.

ARTICLE V PROGRAM EXECUTION

The revenue from the levy of assessments shall be used for the purpose of funding, providing, or promoting activities which benefit businesses located and operating in the District. The revenues shall not supplant existing City funded programs within the District, nor shall the revenues be used to provide improvements or activities outside of the area or for any purpose other than the purposes specified in Resolution 21793 or Ordinance 1709 approved by the Palm Springs City Council.

Section 1. The Business Improvement District Steering Committee: A nine (9) member Business Improvement District Steering Committee shall be established by the Main Street Board. The Committee shall consist of six (6) at large general members of the District, and three (3) Main Street Executive Board Members. General Committee Members shall represent at least three or more of the following industries: restaurant, hospitality, entertainment, retail and professional services. Members of the Committee shall serve for two year terms, except that in order to ensure a stagger of appointees, the initial appointments shall be for staggered one or two year terms as determined by drawing of straws at the next Business Improvement District Steering Committee meeting.

Section 2. Program Development: The Steering Committee shall develop the goals, objectives and measurements of the marketing and promotions program. The program shall not exceed the scope of activities outlined in Article VI, Section 4 of the Business Improvement District Bylaws.

The Steering Committee shall present its recommendations for the budget and program plan to the Main Street Board for approval. The Main Street Board shall submit the budget and program plan to the City Council for review and approval during the City's annual budget cycle.

Section 3. Annual Merchant Meeting: The Main Street Board shall conduct an annual meeting for all businesses within the district to review the prior year's accomplishments, promotions and activities at the same time as developing the next year Budget for the District.

**ARTICLE VI
ACCOUNTING PROCEDURES**

Section 1. Accounting: The Business Improvement District funds shall be maintained by the City Treasurer, with accounting records established to sufficiently identify and control these funds. Expenditures shall be processed through the City's established warrant payment procedure.

Section 2. Procedures for Revenue Collection: The assessment fee shall be paid, collected, and administered in the manner business license taxes are paid, collected, and administered in accordance with Division II of Title 3 of the Palm Springs Municipal Code.

Section 3. Procedures for Disbursements: Expenditures shall be processed through the City's established warrant payment procedure.

Section 4. Use of funds: Revenues collected from the Business Improvement District assessment fee shall be limited to use within the defined area to finance a marketing and promotions program as described in Ordinance No. 1709. The funds shall be used solely for the marketing and promotional activities, which include but are not limited to:

- Advertising – print, television and radio or other media
- Public Relations and Press Releases
- Development of brochures/collateral pieces
- Special Event Coordination
- Professional Services (Marketing Consultant)

Section 5. Fiscal Year: The fiscal year of the Business Improvement District shall coincide with the City's fiscal year.

**ARTICLE VII
AMENDMENTS TO BYLAWS**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a two-thirds (2/3) majority vote of the Board of Directors of Main Street Palm Springs at any regular meeting of the Board. All amendments, alterations or repeal of the Bylaws shall be effective only after approved by the Palm Springs City Council.

**ARTICLE VIII
CONSISTENCY WITH ORDINANCE**

In the event of any inconsistencies in the Business Improvement District Bylaws, the Palm Springs Business Improvement District Ordinance No.1709 shall prevail.