

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA FIXING AND ASSESSING THE PBIA ASSESSMENT RATES FOR FISCAL YEAR 2010, AND CONFIRMING ITS APPROVAL OF THE PBIA ANNUAL ASSESSMENT REPORT FOR FISCAL YEAR 2010

WHEREAS, pursuant to **Section 4.37.010** of the Municipal Code of the City of Santa Barbara, there is hereby levied upon businesses located within the Downtown Parking and Business Improvement Area (PBIA) a special business assessment rate; and

WHEREAS, the revenues derived from this assessment in Fiscal Year 2010 shall be applied to the cost of providing low cost, customer-oriented public parking in the Downtown of Santa Barbara.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

1. The quarterly assessments shall begin **July 1, 2009**.
2. The rates are established pursuant to the following schedule and applicable sections of all previous resolutions related to the Parking and Business Improvement Area assessments are hereby repealed.
3. The attached PBIA Annual Assessment Report for Fiscal Year 2010 (Exhibit) is hereby confirmed as approved on June 30, 2009.

Parking and Business Improvement Area Business Rates

- I. Retail and/or Wholesale Businesses, Theaters and Restaurants:
 - A. Average sale less than \$20, \$.56 per \$100 gross sales.
 - B. Average sale between \$20 and \$100, \$.29 per \$100 gross sales.
 - C. Average sale of more than \$100, \$.16 per \$100 of gross sales.
 - D. Theater, \$.08 per \$100 gross sales.
- II. Financial Institutions: \$32.50 for each (one) million dollars on deposit.
- III. Stock and Bond Brokerage Offices: \$81.30 for each broker.

- IV. Bus Depots: \$.06 cents for each square-foot of usable building space.
- V. Professional: \$32.50 per person practicing the profession and \$16.30 for each non-professional.
- VI. All Categories Not Otherwise Provided For: \$0.19 cents per square-foot of usable building space.

City of Santa Barbara

**Parking and Business
Improvement Area
(PBIA)**

**ANNUAL
ASSESSMENT
REPORT**

2010

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INTRODUCTION

This report, filed annually as required by the California Parking and Business Improvement Law of 1989, will provide an explanation of any proposed changes, including, but not limited to the boundaries of the adopted City of Santa Barbara Downtown Parking and Business Improvement Area (PBIA) or any benefit zones within the area, the basis for levying the assessments and any changes in the classifications of businesses.

Santa Barbara's Downtown Parking Management Program operates and maintains seven public parking lots and five structures in the Downtown business core area, providing a total of 3,234 parking spaces. The program is oriented towards clients and shoppers, and is directed by the City's Circulation Element to increase the public parking available and reduce the need for employee parking in the Downtown Core. The reduction of employee parking is supported by Alternative Transportation initiatives to increase carpooling, bicycling, and mass transit programs. The Downtown Parking budget is funded primarily by Hourly Parking Revenues, and to a lesser extent, by the PBIA and parking permits. The PBIA revenues are directed solely towards employee salaries and utility costs in support of the operation of the parking lots. Other revenues derived from Hourly Parking charges and permits support the balance of expenses, including Alternative Transportation programs designed to reduce employee parking in the Downtown Core.

For the purpose of the assessment, the "1999 Final Engineer's Report of Formula and Methodology of Assessments" (Engineer's Report), on file at the City Clerk's Office, shall form the basis of the Annual Report.

I. PROPOSED CHANGES

For Fiscal Year 2010, there are no changes to the boundaries, benefit zones, and/or basis for levying the assessments of the Parking Business Improvement Area as established in the Engineer's Report at this time.

II. IMPROVEMENTS AND ACTIVITIES

A parking rate, designed to promote short-term customer/client parking, including 75 minutes of free parking, is currently in effect in all City-operated Downtown Parking facilities. These facilities are maintained and operated by the City's Downtown Parking Program.

III. ESTIMATED OPERATING COSTS OF THE CITY'S DOWNTOWN PARKING PROGRAM FOR 2010

Expenses	PBIA	Parking Program	Total
Salaries and Benefits	\$1,702,550	\$2,095,081	\$3,797,631
Materials, Supplies & Services	\$350,00	\$555,750	\$905,750
Allocated Costs		\$188,990	\$188,990
Insurance/Overhead		\$861,206	\$861,206
General Fund Transfer		\$200,000	\$200,000
Equipment/Capital		\$25,000	\$25,000
Appropriated Reserves		\$50,000	\$50,000
Alternative Transportation Program		\$558,978	\$558,978
Downtown Security Support		\$100,000	\$100,000
New Beginnings Contract		\$43,500	\$43,500
Capital Program		\$1,450,000	\$1,450,000
Total Expenses	\$2,052,550	\$6,128,505	\$8,181,055

IV. PBIA RATES

A more detailed basis for levying the assessment is explained in the Engineer's Report.

The basic methodology and rates are explained below.

Calculating the PBIA

The PBIA is assessed on an annual basis, with payments submitted on a quarterly basis. The formula to determine an individual business contribution is determined by three main factors:

- (1) Business Rate: A rate is used to develop a gross assessment amount. The specific rate is determined by business type (refer to PBIA Rates section).
- (2) Zone of Charge (Benefit): The next factor used in figuring the business net payment is to multiply its assessed gross amount by the Zone of Charge (ZOC) percentage assigned to that parcel.

- (3) Parking Credit: A "discount" on the individual PBIA Assessment of up to 75% is allowed for businesses furnishing on-site customer parking spaces that meet City standards. To determine a parking credit, the area of patron parking (as measured in square feet) is divided by the gross floor area of the business to determine a credit percentage. A maximum of 75% is allowed. (See Engineer's Report for details.)

PBIA CHARGE = (BUSINESS RATE X AMOUNT OF ACTIVITY X ZONE OF CHARGE) –(PARKING CREDIT)

PBIA Category Rates

I. Retail and/or Wholesale Businesses (Including Restaurants):

Group A: Average sale of less than \$20, \$.56 per \$100 of gross sales

Group B: Average sale between \$20 and \$100, \$.29 per \$100 of gross sales

Group C: Average sale of more than \$100, \$.16 per \$100 of gross sales

Group D: Theaters only, \$.08 per \$100 of gross sales

Average sale is computed by dividing the total gross sales for the year by the number of sales transactions.

II. Financial Institutions:

\$32.50* per one million dollars on deposit in offices within the PBIA

III. Stock and Bond Brokerage Offices:

\$81.30* per broker

IV. Bus Depots:

\$.06* cents per square-foot of usable building space

V. Professional:

\$32.50* per person practicing the profession, and \$16.30 for each non-professional in addition to the above

VI. All Categories Not Otherwise Provided For:

\$0.19 per square-foot of usable building space

*Rates for these categories are shown for annual assessment. To determine quarterly payments, divide rates by four.

"Professional" is defined to include those businesses and professions enumerated in the Santa Barbara Municipal Code Section 5.04.420, as presently enacted or hereinafter amended.

Hotels, residences, alleys, private parking, and businesses engaged in auto repairing or

servicing, warehousing, and manufacturing, shall be exempt from the annual PBIA assessment, provided that the businesses last enumerated shall be subject to the assessment for the portion of business area devoted to office space or retail sales in connection with business.

V. REVENUE CARRYOVERS

No excess PBIA revenues will be carried over from 2009 to the 2010 Operating Budget.

VI. PROJECTED DOWNTOWN PARKING PROGRAM REVENUES DERIVED

Revenues:	Hourly Parking.....	\$4,300,000
	Other Parking Fees	\$665,000
	Lobero Garage	\$260,000
	Interest Income.....	\$202,500
	Commuter Parking Lot.....	\$257,550
	TMP/Bus Passes/Special	\$70,000
	Downtown Security Support/New Beginnings Contract....	\$93,500
	Miscellaneous.....	<u>\$43,500</u>
	Subtotal	\$5,887,290

***PBIA ASSESSMENT** (Anticipated **2009 – 2010** collections)..... **\$875,000**

Total Revenues **\$6,762,290**

Revenues collected from the PBIA subsidized approximately \$0.20 of the cost of providing parking for each vehicle parked within the Downtown Parking System.

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