



**Approve the Huntington Beach
Downtown Business
Improvement District's Annual
Report and Proposed Budget for
Fiscal Year (FY) 23-24, and Adopt
Resolution No. 2023-37 declaring
the City's Intention to Levy an
Annual Assessment for FY 23-24
at a public hearing scheduled for
October 3, 2023.**

September 5, 2023

Background

- HB Downtown Business Improvement District (District) established in 2004 in response to request from downtown merchants
- Purpose to fund activities/improvements, above the City's baseline, to benefit and support businesses within the defined boundary
- Per CA Parking & Business Improvement Area Law of 1989, District's Advisory Board must prepare an Annual Report & Budget for Council approval
- Council must also approve the levy of the assessment for the upcoming fiscal year



The District

- Comprised of approx. 255 businesses
- Assessments range from \$80 - \$1,404
- Businesses are assessed based on size, location, and business type
- Boundary has two benefit zones
- Total assessments \$115,000 (\$110,200 projected to be collected)
- City collects assessments annually with business license renewal
- Council appoints an Advisory Board to recommend funding needs



HB Downtown

- In 2008, City Council appointed HB Downtown as the District's Advisory Board
- Private, 501(c)(6) business-based non-profit corporation formed by businesses within the District
- Distinction between "BID"
 - District (City Program)
 - HB Downtown (Non-Profit Organization)
- Agreement between City and HB Downtown to manage the District's funds and activities

RESOLUTION NO. 2008-04

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF HUNTINGTON BEACH DESIGNATING
THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT
AS THE DOWNTOWN BID ADVISORY BOARD

WHEREAS, on September 7, 2004 City Council created the Downtown Business Improvement District ("Downtown BID") pursuant to California Streets & Highways Code Section 36500, et seq.; and

Businesses located in the geographical boundaries of the Downtown BID formed a 501(c)6 non-profit corporation known as the Huntington Beach Downtown Business Improvement District to better promote the downtown area of Huntington Beach; and


This non-profit corporation represents the collective interest of businesses in the geographic BID area to promote BID activities,

NOW, THEREFORE, the City Council of the City of Huntington Beach does hereby resolve as follows:

Upon the adoption of Ordinance No. 3797, the Huntington Beach Downtown BID, shall be the Downtown BID Advisory Board for the 2007-2008 BID budget year.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 4th day of February, 20 08.


Mayor

REVIEWED AND APPROVED:

City Administrator

INITIATED AND APPROVED:

Director of Economic Development

FY 23-24 Annual Report

HB DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

2023- 2024

ANNUAL REPORT



PREPARED BY
JAIME STRONG
EXECUTIVE DIRECTOR

HB DOWNTOWN BUSINESS IMPROVEMENT DISTRICT



EXECUTIVE COMMITTEE

President: Brett Barnes, Duke's Huntington Beach
Vice President: Sandra Schulz Taylor, Model Citizen & Dash of Sass
Treasurer: Tony Duran, EV Ridables
Secretary: Moe Kanoudi, Main Street Eyewear

BOARD OF DIRECTORS

Nate Bernal: Sandbar Cocina y Tequila
Bob Bolen: Huntington Beach Realty
Darrick Hearn: Sandy's Beach Shack
Kelly Miller: Visit Huntington Beach
Peter "PT" Townend: International Surfing Museum

STAFF

Executive Director: Jaime Strong
Events & Social Media Manager: Kim-Erin Justice
Administrative Assistant: Madeleine Gates

FY 22-23 Highlights

- Board of Directors' Retreat
 - ✓ Reinstate & Combine Marketing and Events Committee
 - ✓ New Stakeholder Committee
 - ✓ SWOT Analysis
- Successful Weekly and Signature Events
 - ✓ Expansion of Surf City Nights and est. of SCN Task Force
- Filled Staffing Needs
 - ✓ Events & Social Media Manager, Admin. Role
- Stakeholder Outreach
 - ✓ Newsletters, Critical Incident Response Training, Member Mixers
- Refreshed Website
 - ✓ Member Directory & Event Pages
 - ✓ 11,000+ Social Media Followers



FY 23-24 Activities

- Maintenance operations and enhanced security/cleaning during special events, holidays, and peak-season
- Continue to host weekly and signature events:
 - ✓ Surf City Artisan Fair
 - ✓ Surf City Nights
 - ✓ Chili at the Beach
 - ✓ HB4th Block Party
 - ✓ Surf City Spooktacular
 - ✓ Surf City Days and He'e Nalu Pier Festival
 - ✓ Magic on Main Street
- Holiday Beautification (lights, snowflakes, holiday tree)
- Improve communication (CRM) and strengthen brand identity through advertising and marketing programs
- Continue day-to-day operations (administration and finances)



Budget

INCOME	
Surf City Artisan Fair	\$268,000
Surf City Nights	\$263,140
City of HB--Maintenance	\$198,000
BID Member Assessments	\$110,200
Ambassador Program (VHB)	\$36,000
Other Events	\$35,000
TOTAL INCOME	\$910,340

Assessment Breakdown

INCOME	
Ambassadors Program (30%)	\$33,060
Executive Director (20%)	\$22,040
Enhanced Maintenance (15%)	\$16,530
Holiday Beautification (15%)	\$16,530
Marketing & Events (15%)	\$16,530
CRM Software Program & Staff (5%)	\$5,510
TOTAL EXPENSES	\$110,200

Annual Renewal

- State law requires an annual protest hearing to receive and consider any protests against the assessment for FY 23-24 (scheduled for October 3, 2023)
- Only protests by affected business owners can be considered
- If protests received total 50% or more of the assessment value, no further proceedings to continue the District can be considered for one year
- If lack of majority protest exists, Council can renew assessment for the upcoming year



Recommendation

- Approve the Annual Report and Proposed Budget for FY 23-24; and,
- Adopt Resolution No. 2023-37 “Declaring the City’s Intention to Levy an Annual Assessment for FY 23-24 within the HB Downtown Business Improvement District”, which sets a public hearing for October 3, 2023 to consider continuation of the District; and,
- Authorize the revenue appropriation of \$3,200 and an expenditure appropriation of \$3,200 for a net zero impact to the fund.

Questions?

