



**Public Hearing to consider
adoption of Resolution No.
2025-52 approving an Annual
Assessment within the
Huntington Beach Downtown
Business Improvement District
for Fiscal Year 2025-26**

City Council Meeting
October 7, 2025

Background

- **Established:** 2004 at the request of Downtown merchants
- **Purpose:** Fund improvements and services above the City's baseline levels
- **Process:** Per State law, Public Hearing to review Annual Report & Budget (prepared by Advisory Board)
- **City Council Role:** Reviews the Annual Report each fiscal year and conduct a public hearing to consider and approve the assessment for the following fiscal year



The District

- ~255 businesses in the District
- Funded by business assessments (ranging from \$80 to \$1,404)
- Based on business size, location, and type
- Two benefit zones
- ~\$115,000 in assessments projected annually
- Collected with business license renewals
- Advisory Board (appointed by Council) recommends use of funds



Downtown HB

- Appointed in 2008 to serve as the District's Advisory Board
- Private, 501(c)(6) nonprofit formed by Downtown businesses
- Represents business interests and manages programming, events, and services
- Operates under an agreement with the City to manage District activities
- Important distinction:
 - BID (District): City program funded by business assessments
 - Downtown HB: Nonprofit that administers BID funds

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,

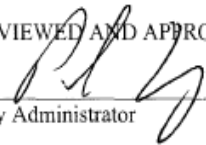
NOW, THEREFORE, the City Council of the City of Huntington Beach does hereby resolve as follows:

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.

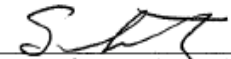
PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 4th day of February, 20 08.


Mayor

REVIEWED AND APPROVED:


City Administrator

INITIATED AND APPROVED:


Director of Economic Development

FY 2024-25 Highlights

Program & Service Enhancements:

- Expanded weekend Ambassador coverage
- Extended steam cleaning and porter services
- Issued RFPs for maintenance, security, and social media

Partnerships & Transparency:

- Partnered with City for Independence Day & Bike Valet
- Revived Chili at the Beach and Surf City Day
- Established separate assessment account for fiscal transparency



FY 2025–26 Proposed Budget

DOWNTOWN HB INCOME	
Surf City Nights	\$300,000
Surf City Artisan Fair	\$258,375
City of HB – Maintenance	\$220,000
BID Member Assessments	\$115,000
Ambassador Program (VHB)	\$40,000
Chili at the Beach	\$25,000
Surf City Days	\$10,000
Parking	\$4,070
TOTAL INCOME	\$972,445

Assessment Breakdown

Allocation of Business Assessments	
Ambassador Program (30%)	\$35,000
Enhanced Maintenance (18%)	\$21,000
Holiday Beautification (22%)	\$25,800
Marketing (9%)	\$10,000
Community Events (16%)	\$18,000
CRM (3%)	\$3,000
Financial Services (2%)	\$2,200
TOTAL EXPENSES	\$115,000

How Assessment Funds Will Be Used

- **Ambassador Program:** Improves safety, visibility, visitor experience
- **Enhanced Maintenance:** Cleaning during busy weekends/events
- **Holiday Beautification:** Seasonal lighting and tree display (expanding this year)
- **Marketing:** Digital promotion, website, social media
- **Community Events:** Surf City Spooktacular, Magic on Main, etc.
- **CRM System:** Improves outreach and tracking
- **Financial Services:** Third-party CPA ensures accountability



Annual Assessment Protest Hearing

- State law requires an annual hearing to review any protests against the District assessment
- Only written protests submitted by business owners or their legal agents may be considered
- If protests equal 50% or more of the total assessment, assessment cannot be levied for the upcoming year
- If a majority protest does not occur, City Council may renew the assessment for the upcoming year



Recommendation

- Conduct the Public Hearing
- If written protests representing less than 50% of the total assessment are received, adopt Resolution No. 2025-52 approving an annual assessment for FY 2025-26

Questions?

