



Staff Reports

File #: 1401-2018, **Version:** 1

To: Honorable Mayor and Members of City Council

From: Dr. Peter Pirnejad, Assistant City Manager - Development Services

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TITLE:

Downtown Business Promotions Tax Area - 2019 Levy of Taxes

RECOMMENDED ACTION:

Adopt a resolution levying taxes in the Downtown Business Promotions Tax Area (DBPTA) for 2019 in accordance with Napa Municipal Code Chapter 3.28; and determining that the actions authorized by this resolution are exempt from CEQA

DISCUSSION:

On June 5, 2018, the City Council approved the "2019 Annual Report and Budget for the Downtown Business Promotions Tax" (DBPTA) and adopted a Resolution of Intention to hold a public hearing on June 19, 2018 to levy the business license taxes. To implement the State of California Streets and Highways Code Sections 36000, et seq., and per the terms of City Agreement 9354, "Napa Downtown Association Agreement, Management of Assessment Districts," a public hearing notice has been published and posted to notify the public of the availability for review of all documents relating to the improvements and activities of the Downtown Business Promotions Tax Area. The tax rate is set by ordinance and provided for in the Napa Municipal Code Chapter 3.28 "Napa Parking & Business Improvement District": a promotional marketing tax equal to 40 percent of the business license fee. This revenue is collected by the City and managed by the Napa Downtown Association (NDA) for administrative and marketing purposes to benefit the businesses within the Downtown Business Promotions Tax Area.

FINANCIAL IMPACTS:

The recommended action results in no financial City obligation or impact to its General Fund, but there are costs related to City staff time for financial accounting and preparation of staff reports and resolutions. The DBPTA tax revenue, equal to 40 percent of the business license tax, is collected by the Finance Department and remitted monthly to the NDA.

CEQA:

City staff recommends that the City Council determine that the Recommended Action is exempt from CEQA, pursuant to CEQA Guidelines Section 15323 (normal operation of facilities for public gatherings).

DOCUMENTS ATTACHED:

ATCH 1 - Resolution - Levy Taxes in the DBPTA for 2019

EX A - 2019 Annual Report and Budget for the DBPTA (reflects all exhibits as originally presented at the June 5, 2018 City Council meeting)

NOTIFICATION:

City staff notified the Napa Downtown Association of this agenda item before the meeting date.