City Offers Extended Relief to Restaurants and Other Businesses for Licensing Fees Through Nov. 30

Recognizing the impact of COVID-19 upon local businesses, the City of Long Beach is offering additional time to pay some City fees.

“As a city, we’re committed to doing everything we can to preserve our local businesses during this crisis,” said Mayor Robert Garcia. “Businesses are not just job creators - they bring energy and culture to the community and are absolutely deserving of our efforts to ease the financial burdens caused by this pandemic.”

The City has extended the waiver of penalties related to the payment of any license taxes and health, fire and business licensing fees issued from March 16, 2020, to Nov. 30, 2020. Any bills issued during that time should still be paid, but no penalty will accrue until after Nov. 30.

This policy follows the direction from the City Council and the City continues to explore options for supporting all businesses impacted most by the pandemic. For more information about business assistance and resources, go to the Business Support webpage or contact the City’s Business Hotline at (562) 570-4BIZ (4249).

For more information, please click HERE.

California Propositions on the November 3 Ballot

Proposition 15: Property Tax to Fund Schools, Government Services

Proposition 15 is a Split Roll Initiative that seeks to amend the California State Constitution to require commercial and industrial properties to be taxed based on their market value beginning in 2022-23, while continuing to assess residential properties and agricultural land at their Proposition 13 levels. Prop. 15 would require most commercial properties, except those valued under $3 million, to be taxed at fair market value through reassessment every three years. The revenue would be directed to K-12 public schools, community colleges, and local governments. Currently, property taxes on commercial properties are based on property values at the time of purchase with a cap on increases.
In a City Memorandum released on September 2, 2020 it states that Proposition 15 is anticipated to generate between $7.5 billion and $12 billion total statewide, 60 percent of which would be allocated to local governments and 40 percent to education institutions. While the actual amount of revenue to the City is uncertain until a detailed funding allocation formula is released, the City estimates an annual increase in the General Fund upwards of $3 million, and local education providers would directly benefit as well.

The unofficial results for Proposition 15 currently are at 48.2% Yes and 51.8% No. The City estimates that Proposition is likely to fail by 2 point.

For more information, please click HERE.

**Proposition 19: The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act**

If passed, Proposition 19 would allow homeowners who are over 55, disabled or victims of natural disasters to transfer part of their property tax base with them when they sell their home and purchase a new one. Additionally Proposition 19 would limits tax benefits for certain transfers of real property between family members; expands tax benefits for transfers of family farms; and all additional tax dollars resulting from real estate sales would go to the California Department of Forestry and Fire Protection to fund firefighting and the Special District Fire Response Fund for fire protection services.

The impact of some of the provisions within Proposition 19 to the City of Long Beach may be an increase property taxes. The proposition, which incentivizes certain residents to move without paying higher property taxes, could potentially increase homeownership opportunities for residents. Those who benefit from the tax transfer moving into Long Beach, however, could result in lower property tax revenues for the City.

Proposition 19 is expected to pass by about 2 points, with preliminary results showing 51% Yes and 49% No.

For more information, please click HERE.

**Proposition 21: Local Rent Control Initiative**

Proposition 21 would have replaced the Costa-Hawkins Rental Housing Act (Costa-Hawkins), which was passed in 1995. Proposition 21 would:

- Amend state law to allow local governments to establish rent control on residential properties over 15 years old. Allows local limits on annual rent increases to differ from current statewide limit.
- Allows rent increases in rent-controlled properties of up to 15 percent over three years at start of new tenancy (above any increase allowed by local ordinance).
- Exempts individuals who own no more than two homes from new rent-control policies.
• In accordance with California law, prohibits rent control from violating landlords’ right to fair financial return.

If passed, Proposition 21 would provide more flexibility to local governments to apply local rent control on units currently ineligible under State law. But it was speculated that Proposition 21 would lead to potential reduction in state and local revenues in the high tens of millions of dollars per year over time. Depending on actions by local communities, revenue losses could be less or more.

The Associated Press has called Proposition 21 as a failure, with 40.43% Yes and 59.57% No.

For more information, please click HERE.

**City Spotlight: New Economic Development Commission Member**

**Brenda Wunsch**

Ms. Wunsch joins the Economic Development Commission bringing with her a wealth of leadership and experience in all aspects of start-up creation, business development marketing, sales and exit strategies.

Ms. Wunsch is an entrepreneur, Start-Up Enthusiast, Board Member of Long Beach Accelerator. She has owned a consulting company for over 30 years, Sandpiper Marketing, that takes on start-ups, helps their funding efforts and stays with the companies all the way to acquisition. She joins their team as CEO, CRO or President to help them achieve their goals.

She was President of Critiquelt, an education software company that sold to a public company. CRO of Scoutbee, a procurement software solutions company. She helped with funding of $78MM in 18 months and is currently, working with Sapphire as Co-CEO.

The last two companies that she worked with have been start-ups in Long Beach. Ms. Wunsch wants to continue helping start-ups succeed in Long Beach, as it has been her home for over 30 years.

Ms. Wunsch is a welcomed member of the Economic Development Commission, leading the City of Long Beach into economic growth.
Industrial Links

What We Know About California Proposition Results

3 California Propositions Remain Too Close To Call

Making Sense of the California Voter

For more information, please contact Sergio Ramirez, Deputy Director, Economic Development Department, at sergio.ramirez@longbeach.gov.