



CITY OF GLENDALE

MONTROSE BUSINESS IMPROVEMENT DISTRICT SPECIAL BUSINESS ASSESSMENT EXEMPTION APPLICATION

(November 2004)

INSTRUCTIONS

Background

The Montrose Business Improvement District was established by Ordinance No. 3812 and later amended by Ordinance No. 4790. On October 26, 2004, the City Council of the City of Glendale adopted Ordinance No. 5431 to amend Ordinance No. 4790 relating to additions and modifications of certain provisions affecting the assessments on the businesses located in the Montrose Business Improvement District. Although all merchants and businesses within the boundaries of the "Montrose Shopping Park Area" are subject to a special business assessment, Section 9 of Ordinance No. 5431 indicates that *"if fifty (50) percent or more of the sales or services of any business in the said Area are shown to the satisfaction of the Director of Administrative Services not to be enhanced by the location of the business, the amount of the assessment shall be in proportion to the percentage of sales benefited by the location."*

How often do you need to submit the exemption application?

Section 9 of Ordinance No. 5431 states that "[a]n exemption application and a non-refundable processing fee must be submitted on an annual basis, signed under penalty of perjury, and subject to verification of all enclosed evidence and documentation." This annual application requirement is necessary to validate the status of the business in light of potential changes in business operations. If a total exemption is not appropriate, a partial reassessment will result. Businesses that obtain a total or partial exemption for any given year, must file an exemption application in subsequent years to substantiate the proportional rate of benefit for the year.

Where should the exemption application be submitted?

Please submit your complete application package including all necessary supporting documentations to the Director of Administrative Services, **Administrative Services Division** located at 141 N. Glendale Ave. 3rd Level, Glendale, CA 91206.

What supporting documentation should you provide?

In order to determine whether your business has benefited from being located in the Montrose Shopping Park Area, more specific exemption criteria have been established to

assist in making an objective determination. The factors to make such a determination include the following:

- (1) The businesses' annual gross receipts are under \$10,000;
- (2) The nature of the business is that it cannot cater to walk-in clients;
- (3) The business does not participate in public events which take place in public places in the Area;
- (4) The business does not benefit from decorations, decorative lighting, music, music events, fashion events, sales events, prize fund events, banners, street signs, merchant Christmas gifts, promotions, and development of means to increase retail sales activities in the Area;
- (5) The business does not have any signage visible to the passerby;
- (6) The business does not have any employees;
- (7) The business does not advertise in the news media for the community in the Area; and
- (8) The business is not in operation for more than 50% of normal business hours from 9:00 a.m. to 5:00 p.m.

Any documentation that helps support a “non-benefit” position should be submitted with the exemption form. It is recommended that you should submit a copy of the creating document or bylaws, a copy of the lease agreement, statement describing in detail the activities that the business presently conducts or will conduct, financial statements, and Federal income and State sales tax returns. If the application is not for a full exemption, a statement that fully explains the percentage of benefit that your business should receive also needs to be submitted.

How long does it take to evaluate the application?

Allow **30 days** from the City's receipt of your application to conduct the application review and evaluation process. If your exemption application is not granted a full exemption and you have missed the deadline for filing the assessment return, you are subject to all of the penalties and interest that may apply. Please make sure you submit the application early or pay the assessment by the deadline. If you are granted a full or partial exemption, you will receive a refund.

What are the possible outcomes for submitting an exemption application?

There are three possible outcomes as a result of the City's review:

- (1) The business may be **granted a full exemption** if it is determined that the business receives no benefit whatsoever from being located in the area;
- (2) The business may be **denied** the application if it is determined that 50% or more of the sales or services are being benefited by the location of the business; or
- (3) The business may be granted a **partial exemption** and assessed based upon the percentage benefited according to the City's review of the factors enumerated above. The business must then pay the prorated share of the assessment.

Is there a fee for the exemption application?

There is a **\$50.00** application fee. The fee is to accompany the exemption application. The check should be made payable to the City of Glendale. Failure to provide the application fee will result in the application being returned.

If you have more questions, please feel free to contact the City Clerk's Office at (818) 548-2090.

MONTROSE BUSINESS IMPROVEMENT DISTRICT SPECIAL BUSINESS ASSESSMENT EXEMPTION APPLICATION

See separate instructions for information on completing this return. Please type or print.

For the calendar year beginning January 1, _____ and ending December 31, _____

Business Name	Daytime telephone number () -	Type of Business: <input type="checkbox"/> Retail Business <input type="checkbox"/> Retail-Fabricator Business <input type="checkbox"/> Theaters <input type="checkbox"/> New Business <input type="checkbox"/> Other Businesses _____
Business Address	Room/suite	
City, State, and ZIP		
Name of representative to be contacted	Daytime telephone number () -	
Representative's Mailing Address	Room/suite	Federal employer identification number (FEIN):
Representative's City, State, and ZIP		State Sales Tax Number:

All questions must be answered.

	Yes	No
1 Has your business previously applied for an exemption? If "Yes", the application was last <input type="checkbox"/> Granted, Date _____ and/or <input type="checkbox"/> Denied, Date _____		
2 Has your business filed federal income tax returns for the last three years? If "Yes", state the type of returns and years filed. _____		
3 Has your business filed State sales tax returns for the last three years? If "Yes", state the type of the business as filed and the years filed. _____		
4 Is your annual gross receipt more than \$10,000.00?		
5 Does your business cater to walk-in clients?		
6 Does your business participate in public events which are conducted in the Area?		
7 Does your business benefit from promotional activities conducted in the Area?		
8 Is your business in operation for more than 50% of normal business hours (9a.m. to 5p.m.)?		
9 Does your business have any signage visible to the passerby?		
10 Does your business have any employees?		
11 Does your business advertise in the news media for the community in the Area?		
If you answered "Yes" to any of the questions in 4 through 11 above, you are not eligible for a full exemption. You can still apply and may be eligible for a partial exemption.		

To ensure that the City will process your exemption application, attach the following information to your application.

- A A copy of the creating document and/or bylaws, proposed bylaws, or other code of regulations.
- B A copy of the lease agreement.
- C Statement describing in detail the activities that the business presently conducts or will conduct.
- D Financial statements, federal tax returns and state sales tax returns.
- E A statement that fully explains the percentage of benefit (0 – 49%) your business receives from being located in the Montrose Shopping Park Area.

This section is to be completed by the Administrative Services Division

Based on our review of the documents submitted by the business, we hereby decide to:

- Grant the business a full exemption
- Grant the business a partial exemption and the percentage of benefit at ____%
- Deny the business from exemption of the special business assessment.

Signature of Administrative Services Staff Title Date

Be sure to include the \$50 application fee. Failure to submit the required fee will result in your application being returned. Make the check or money order payable to the City of Glendale. Submit the complete application with all supporting documents to the Administrative Services Division (141 North Glendale Ave., 3rd Level, Glendale, CA 91206). Allow 30 calendar days for processing.

Under penalties of perjury, I declare that I have examined this application, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of Officer or Representative Title Date