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File No. 12-1543

**ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE OF INTENTION
FIRST CONSIDERATION relative to the Studio City Business Improvement District (BID).**

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. PRESENT and ADOPT the accompanying ORDINANCE OF INTENTION, dated March 11, 2019, to establish a Property and Business Improvement District to be known as the Studio City BID pursuant to the Provisions of the Property and Business Improvement District Law of 1994 (Division 18, Part 7, Streets and Highways Code, State of California) and to levy assessments.
2. ADOPT the Preliminary Report of the City Clerk, attached to the Council file.
3. ADOPT the Management District Plan, attached to the Council file.
4. ADOPT the Engineer's Report, attached to the Council file.
5. FIND that:
 - a. The petitions submitted on behalf of the proponents of the proposed Studio City BID are signed by property owners who will pay more than 50 percent of the assessments proposed to be levied.
 - b. All parcels included in the BID will receive a special benefit from the improvements and activities that are to be provided.
 - c. All parcels will have a special benefit conferred upon them and upon which an assessment would be imposed are those as identified in the Management District Plan.
 - d. In accordance with Article XIID of the California Constitution all assessments are supported by the Engineer's Report, prepared by a registered professional engineer certified by the State of California.
 - e. In accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the Engineer's Report, the assessment levied on each parcel within the proposed BID is proportionate to the special benefit derived from the improvements and activities that are to be provided.
 - f. In accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the Engineer's Report, the Engineer has separated the general from special benefits. The Engineer's Report identified general benefits in the amount of 2.27 percent to be separated from the special benefits conferred on parcels within the proposed BID. The yearly general benefits cost must be paid from funds other than the assessments collected for the Studio City BID. The general benefit cost for first year of operation is \$10,454.98.

- g. No publicly owned parcel is exempt from assessment.
 - h. The assessments for the proposed BID are not taxes and that the BID qualifies for exemption from Proposition 26 under exemption 7 of Article XIII C, Section 1(e).
 - i. The services to be provided by the Owners' Association are in the nature of professional, expert, technical or other special services, that the services are of a temporary and occasional character, and that the use of competitive bidding would be impractical, not advantageous, undesirable or where the common law otherwise excuses compliance with competitive bidding requirements.
 - j. The proposed improvements and activities are completely separate from the day-to-day operations of the City.
6. APPROVE the Studio City Improvement Association to administer the Studio City BID if the BID is renewed.
 7. AUTHORIZE the City Clerk, upon establishment of the BID, to prepare, execute and administer a contract between the City and Studio City Improvement Association, a non-profit corporation, for the administration of the BID's programs.
 8. INSTRUCT the City Clerk to comply with the notice, protest, and hearing procedures prescribed in the Proposition 218 Omnibus Implementation Act (California Government Code, Section 53750 et seq.).
 9. REQUEST the City Attorney, with the assistance of the City Clerk, to prepare an enabling Ordinance establishing the Studio City BID for City Council consideration at the conclusion of the required public hearing.

Fiscal Impact Statement: The City Clerk reports that funding for assessments levied on the City-owned properties within the BID were included in the General Fund allocation to the 2020-21 BID Trust Fund No. 659. Proposition 218 requires the separation of general benefits from the special benefits. The general benefit portion for the Studio City Property Business Improvement District is \$10,454.98 for the first year. However, funds other than assessment revenue must be budgeted annually for the general benefit expense for the BID'S five-year term.

Community Impact Statement: None submitted.

SUMMARY

At the meeting held on March 26, 2019, your Economic Development Committee considered a City Clerk report and Ordinance relative to the Studio City BID. After an opportunity for public comment was held, the Committee moved to approve the City Clerk's recommendations and Ordinance of Intention, as detailed above. This matter is now forwarded to the Council for its consideration. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



MEMBER **VOTE**

PRICE: YES

BUSCAINO: YES

RODRIGUEZ: YES

ME 3/26/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-