

ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE OF INTENTION FIRST CONSIDERATION relative to the reconfirmation of the Chatsworth Business Improvement District (BID) for Fiscal Year (FY) 2016-17.

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

1. FIND that:
  - a. The assessments imposed by the Chatsworth BID for the FY 2016-17 provide services that directly benefit each of the businesses which pay the assessments.
  - b. The services funded by the assessments are provided only to each of the assessed businesses within the boundaries of the BID.
  - c. The assessment imposed does not exceed the reasonable cost of conferring the benefits.
  - d. The proposed improvements and activities are completely separate from the day to day operations of the City of Los Angeles.
  - e. The assessments for the proposed business-based BID are not taxes and that the BID qualifies for exemption from Proposition 26 under exemption 1 of Article XIII C Section 1(e)(1).
  - f. 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.
2. APPROVE the Chatsworth BID, Inc., a California non-profit mutual benefit corporation, to administer the proposed services of the Chatsworth BID pursuant to Section 36500 et seq. of the California Streets and Highways Code and City regulations.
3. AUTHORIZE the City Clerk, subject to City Attorney approval, to prepare, execute, and administer a contract between the City of Los Angeles and the Chatsworth BID, Inc. to administer the Chatsworth BID, if the Ordinance reconfirming the BID is adopted.
4. APPOINT the Chatsworth BID Advisory Board Members as listed in the Chatsworth BID Annual Report, attached to the Council File.
5. PRESENT and ADOPT the accompanying Ordinance dated August 11, 2016 to confirm the Annual Report for the Chatsworth BID and to levy a special assessment upon businesses located within the District for the District's 15th operating year beginning June 1, 2016.
6. DIRECT the City Clerk to schedule, prepare, publish, and mail the public hearing notice, as

required by the provisions of Section 36500 et seq. of the California Streets and Highways Code.

7. INSTRUCT the City Clerk, subject to the approval of the City Attorney as to form and legality, to prepare and present an enabling Ordinance levying the special assessment for the Chatsworth BID's 15th operating period beginning June 1, 2016 to May 31, 2017.

Fiscal Impact Statement: The City Clerk reports that there are no City-owned properties located within the Chatsworth BID and there are no assessments for City-owned properties within the BID.

Community Impact Statement: None submitted.

Summary:

On September 27, 2016, your Committee considered an August 10, 2016 City Clerk report and Ordinance of Intention relative to the reconfirmation of the Chatsworth BID (merchant-based) for FY 2016-17. According to the City Clerk, on September 7, 1999 Council adopted Ordinance No. 172795, which established the Chatsworth BID, located in Council District 12 (Council File No. 13-0765). The City is required to conduct reconfirmation proceedings in order to levy a special assessment, which supports each year of District operations. The Chatsworth BID completed its 14th operating year on May 31, 2016 and the Chatsworth BID Advisory Board has submitted an Annual Report and is ready to proceed with the reconfirmation of the Chatsworth BID. The Annual Report for the Chatsworth BID's 15th operating year, beginning June 1, 2016 through May 31, 2017, is attached to the City Clerk report.

The reconfirmation process consists of the adoption of an Ordinance of Intention, the approval of the Annual Report from the BID's management entity and a public hearing prior to the adoption of an Ordinance, which would authorize the special assessment to fund operations for the next year of the program. The City Clerk has reviewed the Annual Report as required by Section 36533 of the California Streets and Highways Code. The report includes the various programs and activities, which would be supported by assessment revenue and interest earnings.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend reconfirmation of the Chatsworth BID as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
CEDILLO:	ABSENT
HARRIS-DAWSON:	YES
KREKORIAN:	YES

O'FARRELL: YES

ARL  
9/27/16

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**