

ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE OF INTENTION FIRST CONSIDERATION relative to the formation of the Encino Commons Business Improvement District (BID).

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

1. FIND that:

- a. The petitions submitted on behalf of the proponents of the proposed Encino Commons 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 district will receive a special benefit from the improvements and activities that are to be provided.
- c. All parcels that 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 attached to the City Clerk report dated January 11, 2016, the assessment levied on each parcel within the proposed district 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 2.2 percent to be separated from the special benefits conferred on parcels within the proposed district. The yearly general benefits cost must be paid from funds other than the assessments collected for the Encino Commons BID. The general benefit cost for first year of operation is \$2,734.
- g. The assessments for the proposed district are not taxes and that the district qualifies for exemption from Proposition 26 under exemption 7 of Article XIIC §1(e).
- h. The services 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.
- i. The proposed improvements and activities are completely separate from the day to

day operations of the City of Los Angeles.

2. APPROVE the Encino Property BID, a California non-profit corporation, to serve as the Owners' Association to administer the Encino Commons BID if the district is renewed.
3. ADOPT the following documents, attached to the City Clerk report dated January 11, 2016:
  - a. Preliminary Report
  - b. Management District Plan
  - c. Engineer's Report
4. ADOPT the accompanying ORDINANCE OF INTENTION dated January 5, 2016 establishing the Encino Commons BID.
5. AUTHORIZE the City Clerk, upon establishment of the district, to prepare, execute and administer a contract between the City of Los Angeles and the Encino Property BID, a California non-profit corporation, for the administration of the district's programs.
6. DIRECT 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.).
7. REQUEST the City Attorney, with the assistance of the City Clerk, to prepare an enabling Ordinance establishing the Encino Commons BID for Council consideration at the conclusion of the required public hearing.

Fiscal Impact Statement: The City Clerk reports that Proposition 218 requires the separation of general benefits from the special benefits. The general benefit portion for the Encino Commons BID is \$2,734 for the first year. However, funds other than assessment revenue must be budgeted annually for the general benefit expense for the remaining years of the BID's five-year term.

Community Impact Statement: None submitted.

### Summary

At the public hearing held on February 9, 2016, the Economic Development Committee considered a report from City Clerk and an Ordinance relative to the Encino Commons BID. After an opportunity for public comment, the Committee recommended that Council approve the Ordinance and the recommendations contained the City Clerk report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE

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

SG  
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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**