

ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE OF INTENTION FIRST CONSIDERATION relative to the formation of the South Los Angeles Industrial Tract (SLAIT) Property-Based 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 SLAIT BID are signed by property owners who will pay more than fifty (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 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 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 benefits from the special benefits. The Engineer's Report identified general benefits in the amount of 1.20 percent of the direct programs' cost 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 SLAIT BID. The general benefit cost for first year of operation is \$14,513.00.
- g. No publicly-owned parcel is exempt from assessment.
- h. 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).
- 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 of Los Angeles.

2. APPROVE the SLAIT Property Owners Association to administer the SLAID Property-Based BID if the District is established.
3. ADOPT the Preliminary Report of the City Clerk, attached to Council file (C.F.) No. 14-1072.
4. ADOPT the Management District Plan, attached to C.F. No. 14-1072.
5. ADOPT the Engineer's Report, attached to C.F. No. 14-1072.
6. PRESENT and ADOPT the accompanying ORDINANCE OF INTENTION to establish the SLAIT BID.
7. AUTHORIZE the City Clerk, upon establishment of the District, to prepare, execute, and administer a contract between the City of Los Angeles and SLAIT Property Owners Association, a non-profit corporation, for the administration of the District's programs.
8. 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.).
9. REQUEST the City Attorney, with the assistance of the City Clerk, to prepare an Enabling Ordinance establishing the SLAIT Property-Based 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 SLAIT BID is \$14,513.00 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.

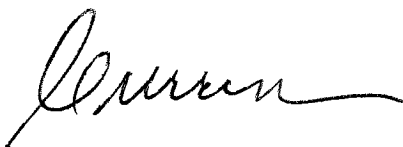
SUMMARY

At its regular meeting held on June 9, 2015, the Economic Development Committee considered a City Clerk report dated May 26, 2015 and Ordinance relative to the formation of the SLAIT Property-Based BID.

After providing an opportunity for public comment, the Committee approved the recommendations in 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
KREKORIAN:	ABSENT
HUIZAR:	YES
CEDILLIO:	YES
MARTINEZ:	YES
WESSON:	ABSENT
KORETZ:	ABSENT

REW
6/9/15
FILE No. 14-1072

-NOT OFFICIAL UNTIL COUNCIL ACTS-