

November 8, 2016

16-0749
4 pages total

To: ERIC GARCETTI, Mayor, City of Los Angeles

Item # 4

MIKE BONIN, Councilmember Eleventh District
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MITCHELL ENGLANDER, Twelfth District, City Council President Pro Tempore
NURY MARTINEZ, Sixth District, City Council Assistant President Pro Tempore
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CURREN D. PRICE, JR., Councilmember Ninth District
MITCH O'FARRELL, Councilmember Thirteenth District
JOSE HUIZAR, Councilmember Fourteenth District
JOE BUSCAINO, Councilmember Fifteenth District

MIKE FEUER, City Attorney
HOLLY L. WOLCOTT, City Clerk

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From : Lia Renee, stakeholder CD 11, stakeholder California Coastal Zone, stakeholder City of Los Angeles

Re: Objection to Council File 16-0749, Title: "Venice Beach Business Improvement District". Vote NO.
City Council File 16-0749 and Reference Numbers: Ord. 184382; Ord. 184462; Ord. 184506; Final Ordinance;
Ords of Intent, are Illegal, and if they were legal, which they are not, they would be Incomplete

Dear Gentilepersons,

The identified proposed *Venice Beach Business Improvement District* ("Venice Beach BID") is an area that is subject to the existing laws of the California Public Resource Code Division 20, California Code of Regulations Title 14, Division 5.5, the Los Angeles Municipal Code section 12.20.2, and the laws of the State and U.S. Constitutions, among others. In spite of the City of Los Angeles ("City") requirement to uphold the Coastal Act and protection of the environment, the City has repeatedly failed since 1979 to obtain certification of the City's Local Coastal Program. During the terms of elected officials City Councilman Mike Bonin and Mayor Eric Garcetti, these Officials have each failed to uphold many of the duties, laws, codes, ordinances, rules, and regulations that govern Council District 11, including, but not limited to the Coastal Act.

At present, Councilman Bonin and Mayor Eric Garcetti are asking the other City Councilmembers to participate in their illegal scheme to use the CA SHC 36600 et seq. to evade the requirements of the Coastal Act, to deny existing and long term stakeholders due process per CA PRC 30000 et seq., deny the benefits of a certified Local Coastal Program to the People of the City and Nation, and to cause prejudice to the certification of the City's Local Coastal Program. The area of the Venice Beach Bid is not impacted by blight, is not economically disadvantaged, and is not unable to attract customers, in fact, Venice Beach is one of the most popular destinations in the world, and has significantly increased its tax base over the last ten years.

The intent of CA SHC 36600 (see attached) is for

"CA SHC 36601 (a) Businesses ... economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts."

The Venice Beach BID does not meet the criteria of CA SHC 36601, in fact, the City: (1) has already substantially increased its tax base pursuant to CA RTC 70; (2) has and is utilizing all areas of the identified mapped areas of the Venice Beach BID; and (3) already attracts and continues to attract customers and visitors from all over the world as one of the City's most unique and special visitor destinations.

The Venice Beach BID through the use of CA SHC 36600 is the City's bad faith attempt to:

- (i) Fraudulently represent that there is "blight" in the Venice Beach BID area (see CA SHC 36601(f), 36601(h)(1)), and that the area is economically disadvantaged;
- (ii) Remove long term stakeholders and replace with wealthier persons;
- (iii) Remove low and moderate income residents and replace with high income residents;
- (iv) Impede small business development and facilitate wealthy corporations;
- (v) Remove low income businesses and replaces with high income corporations;
- (vi) Remove and cleanse area of persons of colors or those who Officials do not like;
- (vii) Remove and cleanse area of cultures that have been in Venice for decades;
- (viii) Impede the People's access to an affordable beach community;
- (ix) Evade process for prejudiced persons;
- (x) Cleanse the area of Venice of its unique and special character;
- (xi) Evade the Coastal Act and the intent of the Coastal Act;
- (xii) Evade the City's Municipal Code 12.20.2 and evade its intentions
- (xiii) Deprive all interested persons their still pending due process of the City's Local Coastal Program;
- (xiv) Misuse the law, omit the intent of the law, and to deceive people of their rights
- (xv) Set a dangerous and unfair precedent:
 - a. To add levies and increase taxation;
 - b. To make the area more expensive, and effectually remove lower income groups;
 - c. To allow a government agency to use a State law to remove people it does not like;
 - d. To evade process and other State laws

For the reasons stated in i through xv, the Venice Beach BID as presently proposed must be denied.

If the City were to enact an Ordinance for the Venice Beach BID pursuant to CA SHC 36600, the City's actions are incomplete, as prior to the Ordinance for a Venice Beach BID, the Venice Beach BID would need to obtain two Coastal Development Permits ("CDP"), the first CDP issued by the City, and the second from the State of California Coastal Commission, see *Pacific Palisades Bowl Mobile Estates v. City of Los Angeles*. The City CDP requires an environmental impact review. No City CDP has been issued for the Venice Beach BID. No environmental impact report has been prepared for Venice Beach BID, or if one exists, it is not accessible.

Further, it is unfair and prejudicial that the City and its elected Officials, collectively "City" seeks to collect new levies from a coastal neighborhood, when the City and its elected Officials gave Venice's newer and wealthier corporations exemptions from paying levies and fees.

In sum, the City should not use CA SHC 36600 et seq. in Venice Beach, and if the City believes that it is in need of money for Venice Beach, then the City should first collect existing levies, taxes, and fees that the City knowingly refuses to collect from privileged persons and from other select persons. The City has a pattern of willfully looking the other way regarding the collection of required fees and taxes from select persons, corporations, and the land use development sector.

Sincerely,

Lia Renee

Contact through City Councilman Bonin CD11

Attached: California Street and Highways Codes (CA SHC) 36600 et seq.



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STREETS AND HIGHWAYS CODE - SHC

DIVISION 18. PARKING [31500 - 36745] (Division 18 added by Stats. 1951, Ch. 463.)

PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994 [36600 - 36671] (Part 7 added by Stats. 1994, Ch. 897, Sec. 1.)

CHAPTER 1. General Provisions [36600 - 36617] (Chapter 1 added by Stats. 1994, Ch. 897, Sec. 1.)

ARTICLE 1. Declarations [36600 - 36604] (Article 1 added by Stats. 1994, Ch. 897, Sec. 1.)

36600. This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

(Added by Stats. 1994, Ch. 897, Sec. 1. Effective January 1, 1995.)

36601. The Legislature finds and declares all of the following:

(a) Businesses located and operating within business districts in some of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.

(d) Assessments levied for the purpose of conferring special benefit upon the real property or businesses in a business district are not taxes for the general benefit of a city, even if property or persons not assessed receive incidental or collateral effects that benefit them.

(e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:

(1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.

(2) Job creation.

(3) Business attraction.

(4) Business retention.

(5) Economic growth.

(6) New investments.

(f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.

(g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article

XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.

(h) The act amending this section is intended to provide the Legislature's guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.

(1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, **contributing to blight and other underutilization of property.**

(2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) **It is of the utmost importance** that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. **Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.**

(Amended by Stats. 2014, Ch. 240, Sec. 1. Effective January 1, 2015.)

36602. The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

(Amended by Stats. 2014, Ch. 240, Sec. 2. Effective January 1, 2015.)

36603. Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. **A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).**

(Added by Stats. 1994, Ch. 897, Sec. 1. Effective January 1, 1995.)

36603.5. Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

(Amended by Stats. 2014, Ch. 240, Sec. 3. Effective January 1, 2015.)

36604. This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

(Added by Stats. 1994, Ch. 897, Sec. 1. Effective January 1, 1995.)