

STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN



**STUDIO CITY  
PROPERTY & BUSINESS IMPROVEMENT DISTRICT  
RENEWAL**

**MANAGEMENT DISTRICT PLAN**

*Being Renewed for a 5 Year Term Pursuant to  
California Streets and Highways Code Section 36600 et seq.  
Property & Business Improvement District Act of 1994, as amended*

**DECEMBER 9, 2018**

**FINAL**

# MANAGEMENT DISTRICT PLAN

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**MANAGEMENT DISTRICT PLAN SUMMARY**

The Studio City PBID is a Property and Business Improvement District (SCPBD) being renewed for a 5 year period by a consortium of property and business owners within the PBID. The SCPBD was originally formed in 2000 for a 5 year period and was renewed in 2005, 2010, 2015 for 5 year terms and is now being renewed again for a 5 year term. The purpose of this renewed PBID is to continue to provide and manage supplemental services and improvements for this important business center, including landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements. The SCPBD is a unique benefit assessment district that will enable the SCPBD property owners and businesses working as a unit, to continue to fund needed property and business related improvement programs, services and programs above what can be provided by the City of Los Angeles.

**Name:** The name of the PBID is the Studio City Property & Business Improvement District (SCPBD).

**Location:** The SCPBD is located in the Studio City community in the southeast part of the San Fernando Valley region of the City of Los Angeles and is centered along Ventura Boulevard between Coldwater Canyon Avenue on the west and Carpenter Avenue on the east.

**Zones:** There are two benefit zones within the renewed SCPBD.

**Services:** Landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements.

**Finance:** Benefit assessment of real property (221 parcels). No bonds shall be issued to fund SCPBD programs.

**Budget:** PBID assessment revenue for Year 1 (2020) is projected to be \$449,900. It is noted that the Assessment Engineer has determined that general benefits equate to 2.27% of the total adjusted PBID program costs of \$460,355 or \$10,455. General benefit costs shall be derived from non-assessment revenue sources such as grants, program income, credits, interest, memberships and other sources.

**Year 1 – 2020 PROPOSED BUDGET (ASSESSMENT REVENUES/SPECIAL BENEFIT COSTS)**

<b>BENEFIT ZONE</b>	<b>LANDSCAPING, SANITATION &amp; BEAUTIFICATION</b>	<b>STREETSCAPE, CAPITAL, PARKING &amp; SAFETY IMPROVEMENTS</b>	<b>MARKETING</b>	<b>ADMINISTRATION</b>	<b>TOTAL</b>
%	42%	23%	12%	23%	100%
1	\$177,306.51	\$97,096.42	\$50,659.00	\$97,096.42	\$422,158.35
2	\$11,651.43	\$6,380.55	\$3,328.98	\$6,380.55	\$27,741.50
TOTAL	\$188,957.94	\$103,476.97	\$53,987.98	\$103,476.97	\$449,899.85

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**Benefits:** “General Benefit” is defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special Benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the SCPBID or to the public at large.

**Formula:** There are two benefit zones in the SCPBID. (A map showing the SCPBID boundaries and benefit zones is shown on Appendix 2 attached to this Plan). Year 1 property assessment rates per parcel are as follows:

**YEAR 1 –2019/20 Assessment Rates**

<b>BENEFIT ZONE</b>	<b>LAND AREA ASSMT RATE (\$/SQ FT)</b>	<b>VENTURA BLVD FRONTAGE ASSMT RATE (\$/LF)</b>	<b>OTHER FRONTAGE ASSMT RATE (\$/LF)</b>
1	\$0.0350	\$19.2500	\$5.7700
2	\$0.0180	-	\$1.9200

**Cap:** Assessment increases are capped at a maximum of 4% per year, subject to approval by the SCPBID Property Owner Association Board of Directors.

**Renewal:** PBID renewal is a two-step process. First, petitions signed by PBID property owners representing at least 50% of the total assessment to be levied must be secured. Second, property owners will be sent a ballot to vote on the PBID renewal. Returned ballots in support of the PBID renewal must outweigh those in opposition based on the amount of assessment to be levied.

**Duration:** The renewed SCPBID will have a term of five (5) years, beginning January 1, 2020 and ending December 31, 2024. After five years, the petition and balloting process must be repeated in order to renew the SCPBID and levy assessments again at that time.

## **II. PBID BOUNDARIES**

**Setting:** Studio City is located in the southeastern portion of the extensive San Fernando Valley of the City of Los Angeles. The Studio City business district is known throughout the globe. It is home to the historical Sportsmen’s Lodge Hotel, CBS Studio Center film complex, the Studio City Walk of Fame and over 300 restaurants and retailers. In 1926, the King of Comedy Mack Sennett selected the area to be the location of his new production studio. Upon completion of the construction in 1928, the area became known as Studio City. In 1933 it became Republic Studios, most notable for its famous western movies. In 1963, CBS Television Network purchased the studio.

At the western edge of the Studio City PBID is the Sportsmen’s Lodge Hotel. It was established in the 1880’s and is considered a San Fernando Valley historical landmark. It’s most notable feature besides a hotel, banquet and restaurant facilities, is a famous pond that many Studio City residents recall fishing there as young children. Historically, celebrities such as Clark Gable, Bette Davis, and John Wayne were known to spend time there, just to name a few. Today, it continues to thrive as a destination.

CBS Studio Center today is a full service television production studio. The primary use is as a production rental facility. In fact, although the facility is owned by CBS, the facility is not limited to CBS productions. Productions filmed on the lot are broadcasted on various television channels. During peak production periods, there may be as many as 5,000 people working on the lot, including employees of CBS, cast and crew of the many productions.

In between the Sportsmen’s Lodge and CBS Studio Center lies the heart of the Studio City PBID showcasing an array of commercial retailers, including many high-end shops, that when combined with the Sportsmen’s Lodge and CBS Studio Center, form what is identified as the “cohesive commercial fabric” of the Studio City PBID.

### **Boundary Description**

The Studio City Business Improvement District encompasses approximately 20 blocks centered along Ventura Boulevard from Coldwater Canyon Avenue on the west to Carpenter Avenue on the east. The District’s northern boundary extends along the north side of the parcels that front Ventura Boulevard from Coldwater Canyon Avenue east to Laurel Grove Avenue and includes all parcels south of the Los Angeles River, Valleyheart Drive and Ventura Court. The northern boundary then continues east to Laurel Canyon Boulevard and includes all parcels along Ventura Boulevard and south of the Los Angeles River, continuing along the north boundary of commercial parcels fronting Ventura Place from Laurel Canyon Boulevard to Radford Avenue. The northern boundary then jogs north to include parcels APNs 2368-002-033 and 2368-003-001 on the west side of Radford Avenue at Hoffman Street. The northern boundary then jogs further north along the east side of Radford Avenue to include the entire CBS Studio Center (APN 2368-005-011). The District’s eastern boundary coincides with the CBS Studio Center parcel at Colfax Avenue and the southern property lines to the east side of parcel APN 2368-006-024, then south across Ventura Boulevard to the east side of parcel APN 2369-027-031. The District’s southern boundary includes all commercial parcels fronting Ventura Boulevard from APN 2369-027-031 and Carpenter Avenue on the east to Coldwater Canyon Avenue on the west, including all commercial parcels just south of Ventura Boulevard that front Laurel Canyon Boulevard (APNs 2369-015-006, 013, 017, 018, 003) and parcels APN 2369-014-009 and 010 between Vantage Avenue and Laurel Canyon Boulevard.

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### **Benefit Zones**

There are two benefit zones within the District.

#### Benefit Zone 1

Zone 1 includes 211 parcels fronting Ventura Boulevard, Laurel Canyon Boulevard, and Ventura Place, which have the heaviest level of pedestrian and vehicular traffic. There is a higher need for programs, services, and improvements in Zone 1 of the District because of the high volume of commercial activity, pedestrian traffic and vehicular traffic, which require higher levels of streetscape, capital improvements and landscaping services. Ventura Boulevard and Laurel Canyon Boulevard and portions of Ventura Place are wide streets with center medians, which require landscaping services and improvements.

#### Benefit Zone 2

All other parcels in the PBID (10 parcels) are within Zone 2. Zone 2 parcels (parking lots and CBS Studio Center) are separated because they do not have street frontage along Laurel Canyon Boulevard, Ventura Place or Ventura Boulevard, which are the heavily traffic corridors of the PBID. Zone 2 parcels have less need for services than Zone 1 parcels because they are not as heavily trafficked by pedestrians and vehicles, require less services and are accessible only via service streets.

### **District Boundary Rationale**

The Studio City PBID boundaries are comprised of the commercial core parcels where the main economic activity of Studio City is centered. The commercial parcels fronting Ventura Blvd. from the Sportsmen’s Lodge at Coldwater Canyon Avenue to the CBS Studio Center at Ventura Boulevard and Carpenter Avenue are the heart of the commercial core of Studio City. These parcels showcase an array of commercial retailers, including many high-end shops, that when combined with the Sportsmen's Lodge and CBS Studio Center, form what is labeled as the “cohesive commercial fabric” of the Studio City PBID. The Sportsmen’s Lodge serves as the west anchor to the District and CBS Studio Center as the east anchor to the District.

The boundaries include parcel types that will specially benefit from the Studio City PBID activities and services and are a mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot parcels which comprise the commercial core of Studio City. The assessed parcels are a part of the cohesive commercial fabric of Studio City which seeks to attract a targeted consumer demographic and to improve and maintain their economic success to remain vital and occupied. These parcels were chosen to be included in the PBID boundaries because they will specially benefit from the district programs, services and improvements and are a part of the Studio City commercial center fronting Ventura Boulevard. Surrounding parcels, mainly zoned solely residential with residential uses and/or zoned agricultural have not been included within the boundaries of the PBID. These parcels will not specially benefit from the PBID programs, improvements and services which are designed to improve commerce and economic vitality of assessed parcels within the core commercial center of Studio City..

#### Northern Boundary

The northern boundary of the PBID generally includes commercial parcels one parcel deep fronting Ventura Boulevard from Coldwater Canyon Avenue to Laurel Grove Avenue. Parcels to the north are not included in the District boundaries because they are either not commercial or are mixed use with residential components and are not part of the Studio City center of economic activity which fronts Ventura Boulevard. It is the opinion of the Assessment Engineer that parcels north of the northern boundary would not benefit

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from the SCPBID programs, services and improvements which are designed to improve commerce and economic vitality of assessed parcels in Studio City’s commercial core.

Along Ventura Boulevard between Coldwater Canyon Avenue and Whitsett Avenue, the PBID parcels are bordered on the north by the Los Angeles River Greenway Park and a natural barrier, the Los Angeles River and the south side of Valleyheart Drive. These public rights of way do not share the SCPBID commercial focus and would not specially benefit from PBID programs, services and improvements and are, thus not included in the District. Additionally, parcels located north of the river are comprised of parcels that are solely residential and a golf course, which is zoned agricultural. The Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, “Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.”

Along Ventura Boulevard between Whitsett Avenue and Laurelgrove Avenue, the District is bordered on the north by the south side of Ventura Court. To the north of Ventura Court are mixed-use parcels including a large public storage warehouse, private parking areas, and a few non-retail commercial businesses. These parcels do not share the cohesive commercial fabric of the PBID, thus, are not included in the PBID.

Along Ventura Boulevard from Laurelgrove Avenue to Laurel Canyon Boulevard, the northern District boundary is the Los Angeles River Greenway Park. As discussed above, the Park does not have a commercial component and would not specially benefit from SCPBID programs, services and improvements which are designed to increase commerce and improve economic viability. The remaining parcels between Ventura Boulevard and the Park/River are included in the SCPBID and assessed because they receive special benefit from SCPBID programs, services and improvements. There are five parcels in this block which do not directly front Ventura Boulevard but because the only access to these five parcels is via Ventura Boulevard, they are a part of Studio City’s commercial core and will receive special benefits from the SCPBID programs, services and improvements. These five parcels are all parking lots for a shopping center that spreads across parcels in Zone 1 and Zone 2. These five parcels have been designated Zone 2 parcels because they do not front Ventura Blvd. and therefore do not receive the same level of services as parcels fronting Ventura Blvd. The Zone 2 parcels are assessed at rates commensurate with the services provided and proportionate special benefits received by each individual assessed parcel.

From Laurel Canyon to Radford Avenue the northern boundary includes commercial parcels fronting Ventura Place. The northern boundary along Ventura Place is one parcel deep because parcels fronting Ventura Place are part of the commercial center of Studio City and will therefore benefit from PBID services that will enhance and be provided along those streets and sidewalks. Parcels north of Ventura Place between Valleyheart Drive and Radford Avenue (except the two Zone 2 parcels as later discussed) are residential uses and residentially zoned and would not benefit from SCPBID programs, services and improvements and are not included in the SCPBID.

The northern boundary extends to Valleyheart Drive along Radford Avenue on the east side, and includes the two commercial parcels on the west side of Radford Avenue at Hoffman Street. The two parcels on the west side of Radford Avenue are included in the District because they are commercial and are part of the Studio City’s commercial center. The remaining parcels along the western side of Radford Avenue are zoned RAS4-1. Those parcels are not included in the District because their use is solely residential, and

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they would not specially benefit from SCPBID programs, services and improvements that are designed to increase commerce and improve economic vitality of assessed parcels.

At Radford Avenue and Valleyheart Drive, the northern boundary extends across the Los Angeles River Parkway to include the front and entire CBS Studio Center film complex parcel that fronts Radford Avenue. This large parcel along the eastern side of Radford Avenue will specially benefit from the programs and services that are designed to increase commerce and economic vitality via attracting desirable tenants and employees. Because the main entrance to the Studio is at 4024 Radford Avenue, it does not receive the same benefit as Zone 1 parcels because it does not front Ventura Boulevard. This parcel is a Zone 2 parcel.

The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided north of the northern District boundary.

### Eastern Boundary

Parcels east of the eastern SCPBID boundary contain a different business mix with different marketing needs than businesses on assessed parcels within the SCPBID. It is the opinion of the Assessment Engineer that parcels east of the eastern boundary will not specially benefit from SCPBID programs, services and improvements because they are not part of the commercial core of the Studio City business district. The north-eastern boundary is the edge of the Studio City film complex which extends to Colfax Avenue. This boundary was chosen to include all of the parcels that share the cohesive commercial center of Studio City and market demographic of the Studio City PBID. Parcels on all four sides of the corner of Carpenter Avenue and Ventura Boulevard are included in the District boundaries because they are part of the Studio City commercial center and have high pedestrian traffic from the Studio City film lot to the parcel located on the southeast corner of Carpenter Avenue and Ventura Boulevard which is mostly occupied by the Studio City film complex legal personnel. The adjacent portion of the Film Lot parcel east of Carpenter Avenue is included because this parcel benefits from services to be provided up to Carpenter Avenue and the parcel cannot be divided in two for assessment purposes.

The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided east of the eastern District boundary.

### Southern Boundary

The southern boundary of the PBID is one parcel deep along Ventura Boulevard between Coldwater Canyon Avenue and the western side of Vantage Avenue. Parcels beyond this boundary will not specially benefit because they are not part of the commercial core of Studio City. The boundary is one parcel deep because parcels south of the boundary are used solely as residential properties. Between Whitsett Avenue and Vantage Avenue, there is also the additional barrier of the alley that separates the PBID from the residential neighborhood. All of the parcels that front Ventura Boulevard will specially benefit from SCPBID programs, services and improvements. Parcels south of those fronting Ventura Boulevard are zoned solely residential and do not have a commercial component, therefore they are not included in the SCPBID

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Along Ventura Boulevard between Vantage Avenue and Laurel Canyon Boulevard, the southern boundary includes all parcels comprising one large contiguous shopping area occupied by a single shopping center spanning several parcels. The shopping center will specially benefit from the programs, services and improvements designed to improve commerce and economic vitality. The point south of the shopping center zoned solely residential and is not part of the cohesive commercial center of the PBID and therefore is not included in the District boundaries. There is one commercially zoned parcel that is not part of the Studio City cohesive commercial center. There is one commercial parcel that fronts Vantage Avenue which is part of the District because it is part of the shopping center. There is also one parcel in the shopping center which is used as parking and therefore has been designated Zone 2 because it does not have Ventura Boulevard frontage, but is surrounded by parcels that are part of the shopping center that fronts Ventura Boulevard.

Extending along Ventura Boulevard from Laurel Canyon Boulevard to Radford Avenue, the southern boundary includes commercial parcels that are a part of the cohesive commercial core of the Studio City District. The southern District boundary is one parcel deep along Laurel Canyon Boulevard between Valleyheart Drive and Ventura Boulevard. The District boundary ends at the solely residential parcels on Laurel Canyon Boulevard, which as discussed above do not have a commercial component and would not specially benefit from SCPBID programs, services and improvements designed to increase commerce and improve economic vitality of assessed parcels; therefore, they are not included in the SCPBID. There is one parcel in this area which does not front Ventura Boulevard or Laurel Canyon Boulevard, but is assessed as part of Zone 2 because the means of access is via Laurel Canyon Boulevard and it is part of the shopping center, and will specially benefit from SCPBID programs and services.

Extending along Ventura Boulevard between Radford Avenue and the south-eastern corner of Carpenter Avenue, the boundary continues one parcel deep along Ventura Boulevard. The boundary is one parcel deep because parcels south of the boundary are zoned solely residential and will not specially benefit from the PBID programs and services. All of the parcels that front Ventura Boulevard will specially benefit from SCPBID programs, services and improvements. Parcels south of those fronting this section of Ventura Boulevard either have solely residential or school zoning (i.e. Carpenter Charter Elementary School behind the commercial parcels). The school's entrance is accessed via Carpenter Avenue and no entrance to the school fronts either Ventura Boulevard or Laurel Canyon Boulevard and will not specially benefit from the programs and services designed to improve commerce and economic vitality of assessed parcels. Because these residential and school parcels are not commercial, they will not specially benefit from SCPBID programs, services and improvements and are not included in the SCPBID.

The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided south of the southern District boundary.

### Western Boundary

The western boundary of the PBID is the eastern side of Coldwater Canyon Avenue. Because Coldwater Canyon Avenue is a major thoroughfare with minimal pedestrian traffic crossing into or out of the District, it serves as a physical and perceivable boundary that separates the assessed parcels from those commercial parcels west of Coldwater Canyon Avenue that are not included in the SCPBID.

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The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided west of the western District boundary.

A list of all parcels included in the proposed renewed SCPBID is shown as Appendix 1, attached to this Report identified by their respective Los Angeles County assessor parcel number. The boundary of the proposed renewed SCPBID and benefit zones are shown on the map of the proposed renewed SCPBID attached as Appendix 2 to this Report.

All identified assessed parcels within the above-described boundaries shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in this Report and in the Management District Plan. All SCPBID funded services, programs and improvements provided within the above described boundaries shall confer special benefit to identified assessed parcels inside the District boundaries and none will be provided outside of the District. Each assessed parcel within the SCPBID will proportionately specially benefit from the District funded programs and services (i.e. landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements). These services, programs and improvements are intended to improve commerce, employment, rents and occupancy rates and investment viability of individually assessed parcels and businesses on them within the SCPBID. The SCPBID confers special benefits on each and every individually assessed parcel by reducing crime, improving aesthetics and marketing goods and services available from assessed parcels and the businesses on them within the District, all considered necessary in a competitive properly managed business district. All District funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Los Angeles and are only provided for the special benefit of assessed parcels within the boundaries of the proposed renewed SCPBID.

The District includes 221 parcels of which all are identified as assessable within two Benefit Zones and which are listed in the Assessment Roll included as Appendix 1. For further information, a District Boundary Map showing benefit zones is included as Appendix 2.

**III. Proposed 5 Year PBID Work Plan and Budget**

**Overview**

The Programs and activities to be funded by the SCPBID include landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements. The property uses within the boundaries of the District that will receive special benefits from District funded programs, services and improvements are currently a unique mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lots. District funded activities are primarily designed to provide special benefits as described below to identified assessed parcels within the boundaries of the District.

These benefits are particular and distinct to each and every identified assessed parcel within the SCPBID and are not provided to non-assessed parcels outside of the District. These programs, services and improvements will only be provided to each individual assessed parcel within the District boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

In the case of the SCPBID, the very nature of the purpose of this District is to fund supplemental programs, services and improvements to assessed parcels within the District boundaries above and beyond the base line services provided by the City of Los Angeles. The City of Los Angeles does not provide these supplemental programs and services. All benefits derived from the assessments to be levied on assessed parcels within the District are for services, programs and improvements directly benefiting each individual assessed parcel within the District. No District funded services, activities or programs will be provided outside of the District boundaries.

The projected program special benefit cost allocation of the District assessment revenues for the 5-year District term assuming a 4% maximum annual assessment rate increase is shown in the Table on page 20 of this Plan.

**WORK PLAN DETAILS**

The services to be provided by the SCPBID are all designed to contribute to the cohesive commercial fabric and to ensure economic success and vitality of the District. The assessed parcels in the PBID will specially benefit from the District programs in the form of increasing commerce and improving economic success and vitality through meeting the PBID Goals: to improve sanitation, beautification, landscaping, and to attract and retain businesses and services, and ultimately to increase commerce and improve the economic viability of each individual assessed parcel.

The following programs, services and improvements are proposed by the SCPBID to specially benefit each and every individually assessed parcel within the District boundaries. SCPBID services, programs and improvements will not be provided to parcels outside the District boundary. Assessment funds generated in each benefit zone shall only be used to provide services which specially benefit individual assessed parcels within that benefit zone.

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### **Landscaping, Sanitation and Beautification**

\$193,349.03 (Special + General Benefit Costs) 42%

The Landscaping, Sanitation and Beautification work plan component includes landscaping services, sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming. Zone 1 parcels will receive and specially benefit from each of these services. Zone 2 will receive all of these except for landscaping services.

Landscaping Services includes landscaping care and weed removal services throughout Zone 1 in the District. Zone 2 parcels will not receive these services since there are no landscape improvements to maintain that would specially benefit assessed parcels in Zone 2.

Sanitation Personnel collect and remove litter from sidewalks and gutters throughout the District.

Trash Disposal includes emptying, servicing and cleaning trash receptacles which are placed along sidewalks throughout the district.

Sidewalk Cleaning entails periodic pressure washing of all sidewalks throughout the District.

Graffiti Removal entails receiving reports of and then quick removal of graffiti throughout the District.

Tree Trimming entails trimming and care of trees throughout the District. It is noted that trimmed palm trees prevent berries from falling to the ground and littering and staining District sidewalks.

The goal of the Landscaping, Sanitation and Beautification work plan component is to ensure that the environment around all identified assessed parcels is clean and well maintained, thereby creating an attractive District for the special benefit of each and every assessed District parcel. These supplemental services will assist in creating a clean and orderly environment for the special benefit of each assessed parcel in the District. A dirty environment deters commerce and may fail to attract patrons and visitors, and reduce commercial rents and commercial occupancies. For the array of land uses within the District (i.e. retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lots) this work plan component is designed to increase vehicular and pedestrian traffic, increase commerce and customer activity, attract and retain new business and patrons, and may increase commercial rents and commercial occupancies for the assessed parcels within the SCPBID boundaries. Each assessed parcel will specially benefit from the Landscaping, Sanitation and Beautification which will only be provided to, and for the direct benefit of, each identified assessed parcel within the District boundaries.

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### **Streetscape, Capital, Parking and Safety Improvements**

\$105,881.62 (Special + General Benefit Costs) 23%

The Streetscape, Capital, Parking and Safety Improvements work plan component entails implementing projects such as streetscape projects (i.e., purchase of trash receptacles or benches), onetime long lasting capital improvement projects (i.e., median construction or alley repaving), parking programs (i.e., parking promotions or periodic shuttle services) or safety improvements or enhancements (i.e., crosswalk improvements, safety personnel, speed feedback signs). By incorporating streetscape, capital, parking or safety improvements, the District continues to build long-lasting aesthetic enhancements for the special benefit of each and every assessed parcel in the SCPBID.

Of the Streetscape, Capital, Parking and Safety Improvements, Zone 1 will receive capital improvements, streetscape, address parking or safety issues, possible periodic shuttle services and safety enhancements.

Zone 2 will receive streetscape projects and address parking or safety issues. Zone 2 does not have medians and therefore will not benefit from capital projects that entail median improvement or median landscaping services and projects. Further, parcels located in Zone 2 will not receive nor benefit from shuttle services because, if implemented, they will be provided along street frontage only within Zone 1 of the District.

For the array of land uses within the District (i.e. retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lots) this work plan component is designed to specially benefit assessed parcels by increasing vehicular and pedestrian traffic, increasing commerce and customer activity, attracting and retaining new business and patrons, and maybe increasing commercial rents and commercial occupancies for the assessed parcels within the SCPBID boundaries. Each assessed parcel will specially benefit from the Streetscape, Capital, Parking and Safety Improvements work plan component which will only be provided to, and for the direct benefit of, each identified assessed parcel within the District boundaries.

### **Marketing**

\$55,242.58 (Special + General Benefit Costs) 12%

Of the marketing services described below, both Zone 1 and 2 will receive website presence, other marketing promotions and the newsletter. Only Zone 1 will receive holiday decorations.

The Marketing work plan component is designed to specially benefit assessed parcels by promoting the image of Studio City, attracting and increasing pedestrian and vehicular traffic, and promoting the use of the Studio City Public Parking Structure. The Marketing program helps meet the goals of business and service attraction and retention and increased commerce. The Marketing program may include advertising, website, holiday decorations, parking incentives, periodic shuttle services, or other promotions. Parcels in Zone 2 will not receive holiday decorations because there are no high traffic areas in Zone 2.

The marketing programs is designed with the intent to increase the public's awareness of the SCPBID as a single destination in order to attract consumers to the rich collection of attractions, events, and services which will ultimately lead to increased commerce. For example, the District will publish a newsletter to keep property owners informed of upcoming events and services. Marketing efforts will be designed to

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improve the commercial core by implementing programs to attract pedestrians, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the SCPBID. The Owners' Association will continue to use its website to promote the assessed SCPBID parcels in an effort to increase awareness of the District as a destination for consumers and tenants and increase occupancy and commerce on the assessed parcels. The website is designed to provide visitors information about the Studio City Business Improvement District and the Studio City Walk of Fame in order to attract these visitors and attract more business from out of the area, to increase commerce and improve the economic vitality of assessed parcels.

The Marketing work plan component is designed to enhance the marketability of assessed District parcels through the production of regular newsletters that shall be distributed to property owners in the District, promote efforts to cultivate and recognize the satisfaction, retention and attraction of businesses, employees and customers/visitors, advertising, response to media inquiries, provide holiday decoartions (Zone 1 only), cultivation of media exposure, and promotion of the assessed parcels within the District as great places to work or visit through the website and/or social media.

For the array of land uses within the District (i.e. retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lots) this work plan component is specifically designed to attract more customers, employees, tenants and investors for the special benefit of assessed parcels as a result of marketing assessed parcels and the goods and services and spaces available on these assessed parcels. This in turn, is intended to increase business volumes, sales transactions, commercial occupancies, commercial rental income and investment viability. The Marketing work plan component will only be provided to, and for the direct and special benefit of, each identified assessed parcel within the District.

### **Administration**

\$105,881.62 (Special + General Benefit Costs)      23%

The Administration component includes activities such as: personnel, operations, professional services (e.g. legal, accounting, insurance), production of the Annual Planning Report and Budget and quarterly reports, facilitation of meetings of the Owners' Association, compliance with applicable laws, outreach to District property and business owners, and participation in professional peer/best practice forums such as the LA BID Consortium, the California Downtown Association or the International Downtown Association. It also covers the costs associated with District renewal, as well as City and/or County fees associated with their oversight and implementation of the District, the Owners' Association's compliance with the terms of its contract with the City, and the implementation of the Management District Plan and the Engineer's Report.

The Administration component also includes City fees to collect and process the assessments, delinquencies and no pays. A percent of the budget is held in reserve to offset delinquent and/or slow payment from both public and private properties. This component also funds the expenses charged by the City of Los Angeles and County of Los Angeles for collection and distribution of SCPBID revenue.

The Administration component is key to the proper expenditure of District assessment funds and the administration of District programs and activities for the special benefit of all parcels within the SCPBID. The Administration work plan component exists only for the purposes of the District and directly relates to

## STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN

the implementation of clean, marketing and capital improvement programs and services, which specially benefit each identified assessed parcel within the District boundaries.

In summary, all District funded services, programs and improvements described above confer special benefits to identified assessed parcels inside the District boundaries and none will be provided outside of the District. Each assessed parcel within the SCPBID will proportionately specially benefit from the Landscaping, Sanitation, Beautification, Streetscape, Capital, Parking, Safety, Marketing, and Administration services, programs and improvements. These services, programs and improvements are intended to improve commerce, employment, rents, occupancy rates and investment viability of assessed parcels within the SCPBID by reducing litter and debris, making capital improvements and professionally marketing goods, services and spaces available within the District, all considered necessary in a competitive properly managed contemporary business district. All District funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Los Angeles and are only provided for the special benefit of each and every assessed parcel within the boundaries of the SCPBID.

### **Services By Zone**

The services provided in each Zone are commensurate with the proportionate special benefit conferred and assessment levied on each parcel within each Zone. The following Table provides a summary of services by zone:

<b>Work Plan Component</b>	<b>ZONE 1</b>	<b>ZONE 2</b>
<b>Landscape/ Sanitation/ Beautification</b>	Landscaping, sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming	Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming
<b>Streetscape/Capital Improvements</b>	Capital Improvements, streetscape, address parking or safety issues, periodic shuttle services*, safety enhancements*	Streetscape, address parking or safety issues
<b>Marketing</b>	Holiday decorations, website presence, other marketing promotions and newsletter	Website presence, other marketing promotions and newsletter
<b>Administration</b>	Implement PBID services for the benefit of assessed District parcels	Implement PBID services for the benefit of assessed District parcels

### **PROGRAM & ACTIVITY BUDGET**

Each identified assessed parcel within the SCPBID will be assessed the full amount of the proportionate special benefit conferred upon it based on the level of District funded services provided within each benefit zone. The projected District program special benefit (assessment) cost allocation budget for Year 1 (2020) is shown in the following Table:

**STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN**

**SCP BID Year 1 (2020) Special Benefit Assessment Budget By Zone**

<b>BENEFIT ZONE</b>	<b>LANDSCAPING, SANITATION &amp; BEAUTIFICATION</b>	<b>STREETSCAPE, CAPITAL, PARKING &amp; SAFETY IMPROVEMENTS</b>	<b>MARKETING</b>	<b>ADMINISTRATION</b>	<b>TOTAL</b>
	42%	23%	12%	23%	100%
1	\$177,306.51	\$97,096.42	\$50,659.00	\$97,096.42	\$422,158.35
2	<u>\$11,651.43</u>	<u>\$6,380.55</u>	<u>\$3,328.98</u>	<u>\$6,380.55</u>	<u>\$27,741.50</u>
<b>TOTAL</b>	\$188,957.94	\$103,476.97	\$53,987.98	\$103,476.97	\$449,899.85

In order to carry out the District programs outlined in the previous section, a Year 1 assessment budget of \$449,899.85 is projected. Since the District is planned for a 5-year term, projected program costs for future years (Years 2-5) are set at the inception of the District. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 4% per annum, commensurate to special benefits received by each assessed parcel, is incorporated into the projected program costs and assessment rates for the 5-year District term. Carryovers, if any, may be reapportioned the following year for related programs, services and improvements. Detailed annual budgets will be prepared by the Owner’s Association Board and included in an Annual Plan for the City Council’s review and approval.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year during the 5-year term of the proposed renewed District. Accordingly, the Owners’ Association shall have the ability to reallocate up to 10% of any budget line item, within the budget categories, based on such cost fluctuations subject to the review and approval by the Owners’ Association Board. Such reallocation will be included in the Annual Planning Report for the approval by the Los Angeles City Council pursuant to the Streets and Highways Code Section 36650. Any accrued interest or delinquent payments may be expended in any budget category.

A 5-year projected SCP BID budget is shown in the following Table:

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**YEAR 1-5 PROJECED DISTRICT ASSESSMENT BUDGET SUMMARY (Special Benefit Costs)**

(Assumes 4% max rate increase per year)

YEAR	BENEFIT ZONE	LANDSCAPING, SANITATION & BEAUTIFICATION	STREETSCAPE, CAPITAL, PARKING & SAFETY IMPROVEMENTS	MARKETING	ADMINISTRATION	TOTAL
		42%	23%	12%	23%	100%
<b>1</b>	1	\$177,306.51	\$97,096.42	\$50,659.00	\$97,096.42	\$422,158.35
	2	<u>\$11,651.43</u>	<u>\$6,380.55</u>	<u>\$3,328.98</u>	<u>\$6,380.55</u>	<u>\$27,741.50</u>
	TOTAL	\$188,957.94	\$103,476.97	\$53,987.98	\$103,476.97	\$449,899.85
<b>2</b>	1	\$184,398.77	\$100,980.28	\$52,685.36	\$100,980.28	\$439,044.69
	2	<u>\$12,117.49</u>	<u>\$6,635.77</u>	<u>\$3,462.14</u>	<u>\$6,635.77</u>	<u>\$28,851.17</u>
	TOTAL	\$196,516.26	\$107,616.05	\$56,147.50	\$107,616.05	\$467,895.86
<b>3</b>	1	\$191,774.72	\$105,019.49	\$54,792.77	\$105,019.49	\$456,606.47
	2	<u>\$12,602.19</u>	<u>\$6,901.20</u>	<u>\$3,600.63</u>	<u>\$6,901.20</u>	<u>\$30,005.22</u>
	TOTAL	\$204,376.91	\$111,920.69	\$58,393.40	\$111,920.69	\$486,611.69
<b>4</b>	1	\$199,445.71	\$109,220.27	\$56,984.48	\$109,220.27	\$474,870.73
	2	<u>\$13,106.28</u>	<u>\$7,177.25</u>	<u>\$3,744.66</u>	<u>\$7,177.25</u>	<u>\$31,205.44</u>
	TOTAL	\$212,551.99	\$116,397.52	\$60,729.14	\$116,397.52	\$506,076.17
<b>5</b>	1	\$207,423.54	\$113,589.08	\$59,263.86	\$113,589.08	\$493,865.56
	2	<u>\$13,630.53</u>	<u>\$7,464.34</u>	<u>\$3,894.45</u>	<u>\$7,464.34</u>	<u>\$32,453.66</u>
	TOTAL	\$221,054.07	\$121,053.42	\$63,158.31	\$121,053.42	\$526,319.22

The Assessment Engineer (see attached Engineer’s Report) has found that the general benefits (i.e. general benefits to assessed parcels within the District, the public at large and surrounding parcels outside the SC PBID) of the proposed programs, services and improvements (i.e. landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements) represent 2.27% of the total benefits generated and, in turn, 2.27% (\$10,454.98) of the total adjusted costs of the SCPBID funded improvements, activities and services provided in the first year.

Total Year 1 adjusted costs are estimated at \$460,354.83. General benefits are factored at 2.27% of the total adjusted costs (see Finding 2 on pages 10-14 of the attached Engineer’s Report) with special benefits set at 97.73%. Article XIII D Section 4(b) of the California Constitution limits the levy of property assessments to costs attributed to special benefits only. The 2.27% general benefit cost is computed to be \$10,454.98 with a resultant 97.73% special benefit limit computed at \$449,899.85. Based on current property data and land uses, this is the maximum amount of Year 1 (2019-20) revenue that can be derived from property assessments from the subject District.

All program costs associated with general benefits will be derived from sources other than District assessments. Sample “other” revenue sources are shown in the following Table:

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**Special and General Benefit Revenue Sources**

<b>Revenue Source</b>	<b>Revenue</b>	<b>% of Total</b>
District Assessments	\$449,899.85	97.73%
Grants, donations, sponsors, program income, etc.	\$10,454.98	2.27%
<b>TOTAL</b>	<b>\$460,354.83</b>	<b>100.0%</b>

A breakdown of projected special and general benefit costs for each year of the 5-year renewal term is shown in the following Table:

<b>YR</b>	<b>PROGRAM CATEGORY</b>	<b>SPECIAL BENEFIT ASSESSMENT COSTS</b>	<b>GENERAL BENEFIT NON-ASSESSMENT COSTS</b>	<b>TOTAL ADJUSTED COSTS</b>	<b>% OF TOTAL</b>
1	Landscaping, Sanitation & Beautification	\$188,957.94	\$4,391.09	\$193,349.03	42%
	Streetscape, Capital, Parking & Safety Imp	\$103,476.97	\$2,404.65	\$105,881.62	23%
	Marketing	\$53,987.98	\$1,254.60	\$55,242.58	12%
	Administration	\$103,476.97	\$2,404.65	\$105,881.62	23%
	Total	\$449,899.85	\$10,454.98	\$460,354.83	100%
2	Landscaping, Sanitation & Beautification	\$196,516.26	\$4,566.73	\$201,082.99	42%
	Streetscape, Capital, Parking & Safety Imp	\$107,616.05	\$2,500.84	\$110,116.89	23%
	Marketing	\$56,147.50	\$1,304.78	\$57,452.28	12%
	Administration	\$107,616.05	\$2,500.84	\$110,116.89	23%
	Total	\$467,895.86	\$10,873.19	\$478,769.05	100%
3	Landscaping, Sanitation & Beautification	\$204,376.91	\$4,749.40	\$209,126.31	42%
	Streetscape, Capital, Parking & Safety Imp	\$111,920.69	\$2,600.87	\$114,521.56	23%
	Marketing	\$58,393.40	\$1,356.97	\$59,750.37	12%
	Administration	\$111,920.69	\$2,600.87	\$114,521.56	23%
	Total	\$486,611.69	\$11,308.11	\$497,919.80	100%
4	Landscaping, Sanitation & Beautification	\$212,551.99	\$4,939.38	\$217,491.37	42%
	Streetscape, Capital, Parking & Safety Imp	\$116,397.52	\$2,704.90	\$119,102.42	23%
	Marketing	\$60,729.14	\$1,411.25	\$62,140.39	12%
	Administration	\$116,397.52	\$2,704.90	\$119,102.42	23%
	Total	\$506,076.17	\$11,760.43	\$517,836.60	100%
5	Landscaping, Sanitation & Beautification	\$221,054.07	\$5,136.96	\$226,191.03	42%

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	Streetscape, Capital, Parking & Safety Imp	\$121,053.42	\$2,813.10	\$123,866.52	23%
	Marketing	\$63,158.31	\$1,467.70	\$64,626.01	12%
	Administration	\$121,053.42	\$2,813.10	\$123,866.52	23%
	Total	\$526,319.22	\$12,230.86	\$538,550.08	100%

The SCPBID assessments may increase for each individual parcel each year during the 5-year effective operating period, but not to exceed 4% per year, commensurate to special benefits received by each assessed parcel, and must be approved by the Owners’ Association Board of Directors, included in the Annual Planning Report and adopted by the City of Los Angeles City Council. Any accrued interest and delinquent payments will be expended within the budgeted categories. The Owners’ Association Board of the Directors (“Property Owner’s Association of the SCPBID) shall determine the percentage increase, if any, to the annual assessment, not to exceed 4% per year. The Owners’ Association Executive Director shall communicate the annual increase to the City each year in which the District operates at a time determined in the Administration Contract held between the Owners’ Association and the City of Los Angeles. No bonds are to be issued in conjunction with the proposed renewed District.

Pursuant to Section 36671 of the Streets and Highways Code, any funds remaining after the 5th year of operation will be rolled over into the renewal budget or returned to stakeholders. District assessment funds may be used to pay for costs related to the following District renewal term. If the District is not renewed or terminated for any reason, unexpended funds will be returned to the property owners.

### **Duration**

As allowed by State PBID Law, the District will have a five (5) year operational term from January 1, 2020 to December 31, 2024. The proposed renewed District operation is expected to begin services on January 1, 2020. If the District is not renewed again at the end of the proposed 5 year renewal term, services will end on December 31, 2024.

### **Manner of Collection**

Assessments for the Property Tax Year beginning July 1, 2019 and ending June 30, 2023, shall be collected at the same time and in the same manner as ad valorem taxes paid to the County of Los Angeles (Operation Years 2020-2024). The District assessments shall appear as a separate line item on the property tax bills issued by the Los Angeles County Assessor. The City of Los Angeles is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement this Management District Plan.

## **IV PROPOSED ASSESSMENT FORMULA**

The PBID programs and services described in this Management District Plan will be funded through benefit assessments against real property in the PBID and non-assessment revenues to fund the costs associated with general benefits conferred on assessed parcels within the District, the public at large and surrounding parcels outside of the SCPBID boundaries. The assessment formula has been developed by the Assessment

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Engineer to ensure that no parcel will be assessed an amount that exceeds the cost of the proportional special benefit that parcel derives from the programs, services and improvements to be funded by the proposed benefit assessments. The assessment rates are based on the anticipated benefit to be derived by each individual parcel within the boundary of the SCPBID.

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed renewed SCPBID (i.e. landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements) it is the opinion of the Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of land area and street frontage within two benefit zones. It is noted that Zone 2 parcels will be provided with identical services and service levels as Zone 1 except that no landscaping, capital improvements nor decorations will be provided for the special benefit of Zone 2 parcels. The assessment rates set for Zone 2 parcels incorporate this program distinction.

The “Basic Benefit Units” will be expressed as a combined function of land square footage (Benefit Unit “A”) and street frontage (Benefit Unit “B”). Based on the shape of the proposed renewed SCPBID, as well as the nature of the District program elements, it is determined that all identified assessed properties will gain a direct and proportionate degree of special benefit based on the respective amount of land area and street frontage within two benefit zones.

For the array of land uses within the District, the interactive application of land area and street frontage quantities are a proven method of fairly and equitably spreading special benefit costs to these beneficiaries of District funded services, programs and improvements. Each of these factors directly relates to the degree of special benefit each assessed parcel will receive from District funded activities within each benefit zone.

In the opinion of the Assessment Engineer, the targeted weight of Zone 1 revenue to match the projected costs of Zone 1 services, should generate approximately 95% of the total District revenue (93.83385% when adjusted for precise parcel measurements and program costs and service levels).

In turn, in the opinion of the Assessment Engineer, the targeted weight of Zone 2 revenue to match the projected costs of Zone 2 services, should generate approximately 5% of the total District revenue (6.16615% when adjusted for precise parcel measurements and program costs and service levels).

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on District funded activities. In the opinion of the Assessment Engineer, the targeted weight of this factor, land area, should generate approximately 30% of the total District revenue (28.46796% when adjusted for precise parcel measurements and program costs and service levels).

Street Frontage is a direct measure of the static utilization of each parcel and its corresponding impact or draw on District funded activities, many of which are linear in nature (i.e. Landscaping, Sanitation and Beautification). In the opinion of the Assessment Engineer, the targeted weight of this factor, street frontage, should generate approximately 70% of the total District revenue (71.53204% when adjusted for precise parcel measurements and program costs and service levels).

Taking into account all identified specially benefiting parcels within the District and their respective

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assessable benefit units, the rates, cumulative quantities and assessment revenues by factor and zone are shown in the following Tables:

**Year 1 – 2019/2020 - Assessable Benefit Units**

<b>BENEFIT ZONE</b>	<b>LAND AREA (SF)</b>	<b>VENTURA BLVD FRONTAGE (LF)</b>	<b>OTHER FRONTAGE (LF)</b>	<b># OF PARCELS</b>	<b># OF ASSESSABLE PARCELS</b>
1	2,940,519	13,936	8,834	211	211
2	<u>1,397,728</u>	<u>0</u>	1,345	<u>10</u>	<u>10</u>
TOTAL	4,338,247	13,936	10,179	221	221

**Year 1 – 2019/20 Projected Assessment Revenue**

<b>BENEFIT ZONE</b>	<b>LAND AREA ASSMT REVENUE</b>	<b>VENTURA BLVD FRONTAGE ASSMT REVENUE</b>	<b>OTHER FRONTAGE ASSMT REVENUE</b>	<b>SUBTOTAL ASSMT REVENUE</b>	<b>%</b>
1	\$102,918.17	\$268,268.00	\$50,972.18	\$422,158.35	93.83385%
2	<u>\$25,159.10</u>	<u>\$0.00</u>	<u>\$2,582.40</u>	<u>\$27,741.50</u>	<u>6.16615%</u>
TOTAL	\$128,077.27	\$268,268.00	\$53,554.58	\$449,899.85	100.00000%
Zone 1 %	22.87580%	59.62838%	11.32967%	93.83385%	
Zone 2 %	5.59216%	0.00000%	0.57399%	6.16615%	
Total %	28.46796%	59.62838%	11.90366%	100.00000%	

The number of Benefit Units for each identified benefiting parcel within the proposed renewed SCPBID was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property-based assessments. All respective property data being used for assessment computations will be provided to each property owner in the District for their review. If a property owner believes there is an error on a parcel’s assessed footages, the District may confirm the data with the LA County Assessor’s office. If District data matches Assessor’s data, the property owner may opt to work with the Assessor’s office to correct the data so that the District assessment may be corrected.

**Assessment Formula**

In the opinion of the Assessment Engineer the assessment formula for the proposed renewed SCPBID is as follows:

Assessments = Land Area (Unit A) Sq Ft x Unit A Zone Rate, plus  
Street Frontage (Unit B) Lin Ft x Unit B Zone Rate

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**YEAR 1 –2019/20 Assessment Rates**

<b>BENEFIT ZONE</b>	<b>LAND AREA ASSMT RATE (\$/SQ FT)</b>	<b>VENTURA BLVD FRONTAGE ASSMT RATE (\$/LF)</b>	<b>OTHER FRONTAGE ASSMT RATE (\$/LF)</b>
1	\$0.0350	\$19.2500	\$5.7700
2	\$0.0180	-	\$1.9200

***Changes to Building or Parcel Size***

Any changes in parcel size and street frontage(s) as a result of land adjustments including but not limited to lot splits, consolidations, subdivisions, street dedications, right of way setbacks shall have their assessment adjusted upon final City approval of such parcel adjustments.

***Other Future Development***

Other than future maximum rates and the assessment methodology delineated in this Report, per State Law (Government Code Section 53750), future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or rates other than as stipulated in this Plan would require a new Proposition 218 ballot procedure in order to approve any such changes.

The complete Year 1 – 2019-20 assessment roll of all parcels to be assessed by this District is included in this Plan as Appendix I.

**Assessment Formula Unit Rates**

Using figures from the Assessable Benefit Units Table and the Projected Assessment Revenue Table on page 20 of this Plan, the assessment rates and weighted multipliers for each factor and zone are calculated as follows:

**ZONE 1**

**Land Area Rate (Unit 1-A)**

$$(\$449,899.85 \times 22.87580\%) / 2,940,519 \text{ units} = \$0.035/\text{sq ft land area}$$

**Ventura Blvd. Street Frontage Rate (Unit 1-B)**

$$(\$449,899.85 \times 59.62838\%) / 13,936 \text{ units} = \$19.25/\text{lin ft street frontage}$$

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Other Street Frontage Rate (Unit 1-C)

$(\$449,899.85 \times 11.32967\%)/8,834 \text{ units} = \$5.77/\text{lin ft street frontage}$

ZONE 2

Land Area Rate (Unit 2-A)

$(\$449,899.85 \times 5.59216\%)/1,397,728 \text{ units} = \$0.018/\text{sq ft land area}$

Other Street Frontage Rate (Unit 2-C)

$(\$449,899.85 \times 0.57399\%)/1,345 \text{ units} = \$1.92/\text{lin ft street frontage}$

Since the SCPBID is planned for a five-year term, maximum assessment rates for future years (Years 2-5) must be set at the inception of the PBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 4% per annum is incorporated into the projected program costs and, in turn, the resultant assessment rates for the five year term of the PBID. These figures are shown in the table below. Assessment rates may not exceed those indicated below.

In addition, any annual budget surplus or deficit will be incorporated into the subsequent year’s PBID budget. Within the constraints of the annual adjustment, annual assessments will be set to account for surpluses or deficits carried forward.

**SCPBID – 5 Year Maximum Assessment Rates  
(Includes a 4%/Yr. Max Increase)**

<b>BENEFIT ZONE</b>	<b>LAND AREA ASSMT RATE (\$/SQ FT)</b>	<b>VENTURA BLVD FRONTAGE ASSMT RATE (\$/LF)</b>	<b>OTHER FRONTAGE ASSMT RATE (\$/LF)</b>
<u>YEAR 1</u>			
1	\$0.0350	\$19.2500	\$5.7700
2	\$0.0180	-	\$1.9200
<u>YEAR 2</u>			
1	\$0.0364	\$20.0200	\$6.0008
2	\$0.0187	-	\$1.9968
<u>YEAR 3</u>			
1	\$0.0379	\$20.8208	\$6.2408

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2	\$0.0194	-	\$2.0767
<u>YEAR 4</u>			
1	\$0.0394	\$21.6536	\$6.4904
2	\$0.0202	-	\$2.1598
<u>YEAR 5</u>			
1	\$0.0410	\$22.5197	\$6.7500
2	\$0.0210	-	\$2.2462

**SAMPLE ASSESSMENT CALCULATIONS:**

**Sample - Zone 1:**

A 15,000 sq ft lot with 100 LF of Ventura Blvd street frontage and 150 LF of other street frontage

Land	= 15,000 x 3.5¢/SF	= \$ 525.00
Ventura Blvd Frontage	= 100 LF x \$19.25/LF	= \$1,925.00
Other Zone 1 Frontage	= 150 LF x \$5.77/LF	= \$ 865.50
<b>TOTAL YEAR 1 ASSESSMENT</b>		= <b><u>\$3,315.50</u></b>

**Sample - Zone 2:**

A 15,000 sq ft lot with 150 LF of other street frontage

Land	= 15,000 x 1.8¢/SF	= \$ 270.00
Zone 2 Frontage	= 150 LF x \$1.92/LF	= \$ 288.00
<b>TOTAL YEAR 1 ASSESSMENT</b>		= <b><u>\$ 558.00</u></b>

The complete Year 1 – 2019-20 assessment roll of all parcels to be assessed by this PBID is included in this Plan as Appendix I.

**V. PUBLICLY OWNED PARCELS**

The State Constitution - Article 13D (Proposition 218) states that “parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit.”

There are 3 publicly owned parcels within the District, all of which are identified as assessable and for which special benefit services will be provided. All 3 identified assessed parcels are owned by the City of Los Angeles and developed as a singular public parking lot/facility (City Lot 690) located at 12225 Ventura

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Boulevard.

Each of these City owned parcels will directly receive and proportionately specially benefit from improved landscaping, sanitation, beautification, streetscape, marketing and administration services. These 3 identified assessed publicly owned parcels/facilities will specially benefit from District funded programs and services from cleaner and safer facility entrances and street frontages. District services and programs are designed to improve the safety and cleanliness and usability of each publicly owned assessed parcel and facility within the District by reducing crime, litter and debris, all considered detractors to visitation and use of public facilities if not contained and properly managed. These publicly owned parcels will further benefit from marketing and promotions because they are pay-to-access lots and the increased awareness of the District is intended to increase visitor traffic, which will cause increased collection of parking fees.

In the opinion of the Assessment Engineer, there is no clear and convincing evidence that these 3 publicly owned parcels will not proportionately specially benefit from District services, programs and improvements; therefore, each publicly owned parcel will be assessed at the full zone rates with assessments to be based on the land area and street frontage of each parcel.

The Table below lists all publicly owned parcels within the proposed renewed SCPBID and their Year 1 (2019-20) assessment amounts:

**SCPBID PUBLICLY OWNED PARCELS**

<b>APN</b>	<b>PUBLIC AGENCY OWNER</b>		<b>SITE ADDRESS</b>	<b>USE</b>	<b>BENEFIT ZONE</b>	<b>YEAR 1 (2019-20) ASSESSMENT</b>	<b>% of TOTAL</b>
2367017900	L A CITY	12225	Ventura Blvd	Parking Garage	2	\$453.60	0.101%
2367017901	L A CITY		*no Site Address*	Parking Garage	1	\$1,587.25	0.353%
2367017902	L A CITY		*no Site Address*	Driveway	1	\$254.80	0.057%
	<b>L A CITY Total</b>					<b>\$2,295.65</b>	<b>0.511%</b>
	<b>GRAND PUBLIC PARCEL TOTAL</b>					<b>\$2,295.65</b>	<b>0.511%</b>

**VI. PBID DISTRICT GOVERNANCE**

The governance or management of a PBID typically requires an “Owner’s Association” to carry out the PBID services and activities. State PBID Law (36600 Streets & Highways Code) also requires that the Owner’s Association carry out specific additional functions. This includes preparation of an Annual Report to the City Council on the PBID activities for the past fiscal year and those proposed for the next fiscal year. The Owner’s Association may also recommend to the City Council from time to time, changes to the PBID boundaries, benefit zones, assessment formula or PBID programs and activities, all subject to public notification and, in some cases petition/balloting requirements.

Meetings of the Owner’s Association and its standing Committees shall be subject to the State of California “Brown Act” open meeting law.

## STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN

### VII. **PROPOSED RULES AND REGULATION APPLIED TO THE DISTRICT**

There are no specific rules or regulations applied to this PBID

### VIII. **OTHER ITEMS**

No bonds will be issued for any SCPBID projects in conjunction with this renewal.

### IX. **PLAN AUTHOR**

The author and preparer of this Plan is Ed Henning of Edward Henning & Associates

### X. **IMPLEMENTATION TIME TABLE**

The renewed PBID is expected to begin operation by January 2020. In order to meet this goal, the following procedural timeline is proposed:

<b><u>Date</u></b>	<b><u>Action/Task</u></b>
Spring/Fall '18	• Develop a PBID Management Plan
Summer/Fall '18	• Strategize support campaign/meetings etc.
Late '18	• Submit final Management Plan and initiate petition drive
Late '18-Spring '19	• Collect petitions signed by property owners
Spring '19	• Submit majority support petitions to City
Spring '19	• City Council adopts Ordinance of Intention to renew the PBID
Spring '19	• City sends notice of PBID public hearing and a ballot to property owners within PBID
Late Spring '19	• City Council conducts hearing (ballots due by this date)
Late Spring '19	• Providing no majority ballot protest is filed at the hearing, Council approves Ordinance of Renewal for the PBID
August '19	• Assessment roll submitted to LA County Assessor
Dec 10/Apr 10 (due)	• Assessments billed and collected by LA County with property taxes
1st Qtr '20	• Revenues remitted to Owner's Association per contract with City
(5yrs)	• Owner's Association carries out renewed PBID programs and services

STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN

# APPENDIX 1

## YR 1 – 2019/20 ASSESSMENT ROLL

STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN

APN	2019-20 ASSMT	% OF TOTAL
2367015001	\$2,427.60	0.540%
2367016002	\$2,293.48	0.510%
2367016003	\$1,730.40	0.385%
2367016004	\$177.12	0.039%
2367016005	\$1,554.00	0.345%
2367016006	\$152.98	0.034%
2367016007	\$1,715.00	0.381%
2367016008	\$1,690.40	0.376%
2367016009	\$415.57	0.092%
2367016010	\$3,266.66	0.726%
2367016011	\$1,653.75	0.368%
2367016012	\$1,413.62	0.314%
2367016013	\$3,772.99	0.839%
2367016014	\$2,256.56	0.502%
2367016015	\$1,254.06	0.279%
2367016016	\$2,377.82	0.529%
2367016017	\$108.27	0.024%
2367016018	\$2,289.35	0.509%
2367017003	\$4,492.39	0.999%
2367017006	\$3,086.16	0.686%
2367017007	\$965.90	0.215%
2367017008	\$174.53	0.039%
2367017010	\$1,471.40	0.327%
2367017011	\$1,796.10	0.399%
2367017013	\$1,598.10	0.355%
2367017015	\$1,958.60	0.435%
2367017016	\$5,052.63	1.123%
2367017017	\$2,804.55	0.623%
2367017900	\$453.60	0.101%
2367017901	\$1,587.25	0.353%
2367017902	\$254.80	0.057%
2367018001	\$2,882.99	0.641%
2367018002	\$559.93	0.124%

2367018003	\$1,120.00	0.249%
2367018008	\$1,679.90	0.373%
2367018009	\$559.93	0.124%
2367018010	\$559.93	0.124%
2367018011	\$559.93	0.124%
2367018012	\$1,120.00	0.249%
2367018015	\$559.93	0.124%
2367018016	\$1,599.05	0.355%
2367018017	\$1,396.24	0.310%
2367018018	\$559.93	0.124%
2367018019	\$559.93	0.124%
2367018020	\$1,120.00	0.249%
2367018021	\$559.93	0.124%
2367018022	\$559.93	0.124%
2367018023	\$559.93	0.124%
2367018024	\$559.93	0.124%
2367018025	\$559.93	0.124%
2367018026	\$1,120.00	0.249%
2367018027	\$559.93	0.124%
2367018028	\$1,120.00	0.249%
2367018029	\$559.93	0.124%
2367018030	\$559.93	0.124%
2367018031	\$559.93	0.124%
2367018034	\$559.93	0.124%
2367018035	\$559.93	0.124%
2367018036	\$1,206.28	0.268%
2367018053	\$1,120.00	0.249%
2367018054	\$2,239.97	0.498%
2367018055	\$1,120.00	0.249%
2368002001	\$1,469.33	0.327%
2368002002	\$463.36	0.103%
2368002003	\$463.50	0.103%
2368002006	\$463.36	0.103%
2368002007	\$231.61	0.051%
2368002008	\$231.61	0.051%

STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN

2368002009	\$463.36	0.103%
2368002010	\$463.36	0.103%
2368002011	\$463.36	0.103%
2368002012	\$463.36	0.103%
2368002013	\$463.36	0.103%
2368002014	\$466.27	0.104%
2368002015	\$483.85	0.108%
2368002016	\$484.35	0.108%
2368002017	\$1,013.94	0.225%
2368002018	\$1,689.29	0.375%
2368002033	\$780.92	0.174%
2368002034	\$4,484.14	0.997%
2368002035	\$1,137.36	0.253%
2368002036	\$1,137.36	0.253%
2368002037	\$1,137.36	0.253%
2368002038	\$5,778.42	1.284%
2368002039	\$463.36	0.103%
2368002040	\$463.50	0.103%
2368002041	\$1,671.99	0.372%
2368002042	\$3,024.36	0.672%
2368002043	\$1,853.93	0.412%
2368003001	\$359.17	0.080%
2368005011	\$24,993.88	5.555%
2368006001	\$2,165.22	0.481%
2368006002	\$1,172.43	0.261%
2368006003	\$1,172.43	0.261%
2368006004	\$1,172.43	0.261%
2368006005	\$3,517.47	0.782%
2368006006	\$586.15	0.130%
2368006007	\$586.15	0.130%
2368006008	\$1,172.43	0.261%
2368006009	\$1,172.43	0.261%
2368006010	\$1,172.43	0.261%
2368006011	\$3,515.74	0.781%
2368006024	\$4,303.17	0.956%

2369001009	\$568.61	0.126%
2369001010	\$568.61	0.126%
2369001011	\$1,137.36	0.253%
2369001012	\$1,137.36	0.253%
2369001016	\$862.61	0.192%
2369001017	\$1,137.36	0.253%
2369001018	\$568.61	0.126%
2369001019	\$568.61	0.126%
2369001021	\$1,137.36	0.253%
2369001022	\$1,137.36	0.253%
2369001023	\$1,714.36	0.381%
2369001024	\$1,431.40	0.318%
2369001025	\$3,564.59	0.792%
2369002017	\$1,190.52	0.265%
2369002018	\$1,182.27	0.263%
2369002020	\$1,706.15	0.379%
2369002021	\$1,137.36	0.253%
2369002022	\$1,137.36	0.253%
2369002023	\$2,274.90	0.506%
2369002024	\$568.47	0.126%
2369002025	\$568.93	0.126%
2369002026	\$2,274.90	0.506%
2369002027	\$454.97	0.101%
2369002028	\$682.40	0.152%
2369002029	\$1,714.36	0.381%
2369004023	\$1,691.61	0.376%
2369004024	\$1,160.15	0.258%
2369004025	\$1,137.50	0.253%
2369004026	\$568.61	0.126%
2369004027	\$568.61	0.126%
2369004028	\$1,137.50	0.253%
2369004029	\$1,137.36	0.253%
2369004030	\$1,137.36	0.253%
2369004031	\$1,706.15	0.379%
2369004032	\$568.61	0.126%

STUDIO CITY PBID – MANAGEMENT DISTRICT PLAN

2369004033	\$568.61	0.126%
2369004034	\$568.61	0.126%
2369004035	\$1,137.36	0.253%
2369004036	\$568.61	0.126%
2369004037	\$568.75	0.126%
2369004038	\$1,137.36	0.253%
2369004039	\$1,137.36	0.253%
2369004040	\$568.61	0.126%
2369004041	\$568.61	0.126%
2369004042	\$1,137.36	0.253%
2369004043	\$1,137.36	0.253%
2369004044	\$568.61	0.126%
2369004045	\$568.61	0.126%
2369004046	\$1,780.68	0.396%
2369014001	\$4,683.55	1.041%
2369014002	\$2,915.99	0.648%
2369014003	\$729.61	0.162%
2369014004	\$729.61	0.162%
2369014005	\$1,459.36	0.324%
2369014006	\$1,660.61	0.369%
2369014007	\$2,141.97	0.476%
2369014008	\$5,386.98	1.197%
2369014009	\$143.73	0.032%
2369014010	\$1,352.12	0.301%
2369015003	\$1,322.36	0.294%
2369015006	\$760.97	0.169%
2369015013	\$430.78	0.096%
2369015015	\$90.00	0.020%
2369015016	\$13,767.60	3.060%
2369015017	\$191.09	0.042%
2369015018	\$1,543.60	0.343%
2369015019	\$9,247.68	2.055%
2369016001	\$1,789.91	0.398%
2369016002	\$1,155.67	0.257%
2369016003	\$577.92	0.128%

2369016004	\$578.06	0.128%
2369016005	\$578.20	0.129%
2369016006	\$1,156.58	0.257%
2369016007	\$578.52	0.129%
2369016008	\$578.66	0.129%
2369016009	\$1,157.80	0.257%
2369016010	\$578.97	0.129%
2369016011	\$579.15	0.129%
2369016012	\$579.29	0.129%
2369016013	\$579.46	0.129%
2369016014	\$579.60	0.129%
2369016015	\$1,159.48	0.258%
2369016032	\$881.51	0.196%
2369016034	\$2,019.15	0.449%
2369027031	\$3,269.79	0.727%
2375018008	\$14,805.74	3.291%
2375018013	\$8,752.51	1.945%
2375018018	\$14,118.84	3.138%
2375018019	\$8,275.96	1.840%
2375021008	\$9,356.73	2.080%
2375021016	\$2,713.17	0.603%
2375021017	\$1,459.15	0.324%
2375021018	\$3,281.95	0.729%
2375021019	\$9,695.70	2.155%
2375021020	\$4,283.89	0.952%
2375021022	\$13,099.04	2.912%
2375021023	\$3,646.30	0.810%
2384008027	\$13,430.39	2.985%
2384016046	\$7,351.42	1.634%
2384018005	\$1,523.20	0.339%
2384018006	\$3,609.55	0.802%
2384018007	\$2,095.40	0.466%
2384022021	\$1,500.73	0.334%
2384022023	\$1,440.57	0.320%
2384022024	\$2,413.50	0.536%

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2384022027	\$2,450.21	0.545%
2384022028	\$622.58	0.138%
2384022029	\$1,870.65	0.416%
2384022032	\$5,059.92	1.125%
2384022036	\$5,446.63	1.211%
2384022049	\$6,889.40	1.531%
2384022051	\$0.00	0.000%
2384022052	\$2,647.82	0.589%

2384023028	\$3,059.32	0.680%
2384023029	\$2,074.00	0.461%
2384023033	\$2,229.12	0.495%
2384023044	\$2,172.80	0.483%
2384023056	\$2,054.29	0.457%
2384023058	\$2,337.27	0.520%
	\$449,899.85	100.000%

# APPENDIX 2

## SCP BID BOUNDARY MAP



# ATTACHMENT 1

## ASSESSMENT ENGINEER'S REPORT