

**ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT and ORDINANCE OF INTENTION FIRST CONSIDERATION relative to the renewal of the East Hollywood (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 East Hollywood Property and BID are signed by property owners who will pay more than 50 percent of the assessments proposed to be levied.
- b. All parcels included in the BID 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 and attached to the Council file.
- e. In accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the attached Engineer's Report, the assessment levied on each parcel within the proposed BID 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 attached Engineer's Report, the Engineer has separated the general from special benefits.
- g. The Engineer's Report, attached to the Council file, identified general benefits in the amount of 4.0734 percent to be separated from the special benefits conferred on parcels within the proposed District; the yearly general benefits cost must be paid from funds other than the assessments collected for the East Hollywood Property and BID; and that the general benefit cost for first year of operation is \$11,464.
- h. No publicly owned parcel is exempt from assessment.

- i. The assessments for the proposed District are not taxes and that the District qualifies for exemption from Proposition 26 under exemption 7 of Article XIII C Section 1(e).
  - j. 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.
  - k. The proposed improvements and activities are completely separate from the day to day operations of the City of Los Angeles.
2. APPROVE the Hollywood Chamber of Commerce Owners Association to administer the East Hollywood Property and BID District if the district is renewed.
3. ADOPT the:
  - a. Preliminary Report of the City Clerk, attached to the Council file.
  - b. The Management District Plan, attached to the Council file.
  - c. The Engineer Report, attached to the Council file.
4. PRESENT and ADOPT the accompanying ORDINANCE dated March 2, 2021 to establish a Property and Business Improvement District to be known as the "East Hollywood Business Improvement District" pursuant to the Provisions of the Property and Business Improvement District Law of 1994 (Division 18, Part 7, Streets and Highways Code, State of California) and to levy assessments.
5. AUTHORIZE the City Clerk, upon establishment of the District, to prepare, execute and administer a contract between the City of Los Angeles and the Hollywood Chamber of Commerce, a non-profit corporation, for the administration of the District's programs.
6. DIRECT the City Clerk to comply with the notice, protest, and hearing procedures prescribed in the Proposition 218 Omnibus Implementation Act (California Government Code, Section 53750 et seq.).

Fiscal Impact Statement: The City Clerk reports that the assessment levied on the City-owned properties within the East Hollywood BID to be paid from the General Fund total \$25,268.90 for the first year of the BID. Funding is available in the BID Trust Fund 659 to

pay the General Fund share of the assessment for the first operating year. Proposition 218 requires the separation of general benefits from the special benefits. The general benefit portion for the East Hollywood BID is \$11,464 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 ten-year term.

Community Impact Statement: None submitted.

Summary:

On March 23, 2021, your Committee considered a February 26, 2021 City Clerk report and Ordinance relative to the renewal of the East Hollywood (Property-Based) BID. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the renewal as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee

PRICE: YES  
KREKORIAN: YES  
BLUMFIELD: YES  
RAMAN: YES  
HARRIS-DAWSON: YES

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**