

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT and ORDINANCE OF INTENTION FIRST CONSIDERATION relative to the renewal of the Larchmont Village (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 Larchmont Village Business Improvement District 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 as identified in the Management District Plan will have a special benefit conferred upon them and upon which an assessment would be imposed.
- d. In accordance with Article XIID of the California Constitution all assessments are supported by the Engineer's report, presented by a professional engineer certified by the State of California.
- e. In accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the attached Engineer's report, attached to the Council File, 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 that: the engineer has separated the general from special benefits; the Engineer's Report identified general benefits in the amount of 3.5 percent to be separated from the special benefits conferred on parcels within the proposed BID; the yearly general benefits cost must be paid from funds other than the assessments collected for the Larchmont Village Business Improvement District; and that the general benefit cost for first year of operation is \$5,984.00.
- g. No publicly owned parcel is exempt from assessment.
- h. The assessments for the proposed District are not taxes and that the District qualifies for exemption from Proposition 26 under exemption 7

of Article XIII C Section 1(e).

- i. The services to be provided by the Owner's Association are in the nature of professional, expert, technical or other special services, that the services are of a temporary and occasional character, and that the use of competitive bidding would be impractical, not advantageous, undesirable or where the common law otherwise excuses compliance with competitive bidding requirements.
 - j. The proposed improvements and activities are completely separate from the day-to-day operations of the City of Los Angeles.
2. APPROVE the Larchmont Village Property Owners Association to administer the Larchmont Village BID if the BID is renewed
 3. ADOPT the following, attached to the Council File:
 - a. January 13, 2022 preliminary report of the City Clerk.
 - b. Management District Plan
 - c. Engineer's report
 4. PRESENT and ADOPT the accompanying ORDINANCE OF INTENTION dated January 12, 2022 to establish the Larchmont Village BID.
 5. AUTHORIZE the City Clerk upon establishment of the BID, to prepare, execute and administer a contract between the City of Los Angeles and the Larchmont Village Property Owners Association, a non-profit corporation, for the administration of the BID.
 6. DIRECT the City Clerk to comply with the notice, protest, and hearing procedures prescribed in the Proposition 218 Omnibus Implementation Act (California Government Code, Section 53750 et seq.).
 7. REQUEST the City Attorney, with the assistance of the City Clerk, to prepare and present an enabling Ordinance establishing the Larchmont Village BID for City Council consideration at the conclusion of the required public hearing.

Fiscal Impact Statement: The City Clerk reports that the assessment levied on the one City-owned property within the BID to be paid from the General Fund total \$7,576.71 for the first year of the BID. Funding is available in the Business Improvement Trust Fund 659 to pay the General Fund's share of assessments for the first operating year. Proposition 218 requires the separation of general benefits from the special benefits. The general benefit portion for the Larchmont Village BID is \$5,984.00 for the first

year. However, funds other than assessment revenue must be budgeted annually for the general benefit expense for the remaining years of the BID's five-year term.

Community Impact Statement: None submitted.

Summary:

On February 8, 2022, your Committee considered a January 12, 2022 City Clerk report and Ordinance of Intention relative to the renewal of the Larchmont Village (Property-Based) BID. According to the City Clerk, the BID was originally established through adoption of City Ordinance 171684 on August 5, 1997; its second operational term began on January 1, 2003; its third operational term began on January 1, 2013 and is set to expire on December 31, 2022. The proponents propose to renew the District for a ten-year term beginning January 1, 2023 and ending December 31, 2032. The Property and Business Improvement District Law of 1994 (Section 36600 et seq.) allows for BIDs to renew by completing the same formation steps as the original establishment. This District is being reestablished in accordance with the provisions of State Law, which allows for the establishment of a district in which operations would be supported by revenue collected from property owners in the district. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the renewal of the Larchmont Village BID as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee



COUNCILMEMBER	VOTE
PRICE:	YES
KREKORIAN:	YES
BLUMENFIELD:	YES
RAMAN:	YES
HARRIS-DAWSON:	YES

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2/8/22
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-NOT OFFICIAL UNTIL COUNCIL ACTS-