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File No. 96-1972
96-1972-81

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your COMMUNITY AND ECONOMIC DEVELOPMENT Committee

reports as follows:

Public Comments: Yes No
XXX —

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to
the Citywide Business Improvement District (BID) Policy.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF
THE MAYOR:

1. APPROVE the proposed "Business Improvement District Policies and Implementation Guidelines".
2. REQUEST the City Clerk obtain City Council approval for each request for a BID Assessment Credit on a "case-by-case" basis, inasmuch as the BID Adjustment Credit will have a different fiscal impact for each area. Additionally, the City Clerk should be requested to provide a fiscal impact report to Council during the annual review process.
3. INSTRUCT the City Clerk to assume the responsibility as the central coordinator for the BID program.
4. REQUEST the Los Angeles Business Team (Mayor's Office), in that pre-BID formation is an economic development marketing tool, and DIRECT the Community Redevelopment Agency, and the Community Development Department to continue to market and disseminate BID information within the business community.
5. INSTRUCT the Chief Legislative Analyst to re-evaluate and analyze BIDs as part of the city's overall economic development strategies and include this topic in discussion of Economic Development Consolidation.
6. INSTRUCT the City Clerk to prepare guidelines on the BID program and inform the Mayor and Council Offices on the steps/procedures for BID formation, expansion and renewal.
7. REQUEST the City Clerk, the Mayor's Office and DIRECT the Community Development Department to evaluate the proposed BID policy and report back in six months with any changes or recommendations on its application.
8. INSTRUCT the City Administrative Officer to meet with the City Clerk and other City departments or agencies as necessary, to determine the source or sources of funding for

the payment of currently identified business improvement district assessments levied on City owned real property, as well as assessments which may be levied on City property in the future; and, to then establish a procedure for any transfer or appropriation which may be required to pay such assessments when due.

9. DIRECT the City Controller to establish the necessary fund and accounts for the receipt and disbursement of funds, including appropriations and transfers as required, relative to business improvement district assessments levied on parcels of City owned real property. The new fund would be known as the "Business Improvement District Assessment Payment Fund" and would be administered by the City Clerk.
10. REQUEST the City Clerk, with the assistance of the City Controller, to prepare an annual report which identifies all paid business improvement district assessments levied on City real property.
11. REQUEST the City Clerk to sign off on Proposition 218 ballots and support petitions for property-based BIDs, unless the Council directs otherwise.
12. TRANSFER \$5,975 from the Reserve Fund to the Unappropriated Balance and appropriated therefrom to the General City Purpose Fund, Line Item Revenue Forecasting Assistance.
13. AUTHORIZE the City Clerk to have Municipal Resource Consultants establish and report revenue information for the four BIDs commonly known as Westwood Village, the Fashion District, Wilshire Center, and the Hollywood Entertainment District.

Fiscal Impact Statement: The City Clerk estimates that, depending on the number of City properties that would be assessed in the future under Proposition 218, the City could be obligated to pay up to \$25,000 per year. The City Clerk will continue to recover the direct cost of administering the BID billings and contract monitoring. The amount of Business Tax Credits are unknown and will be determined on a case-by-case basis.

Summary

On January 5, 1998, your Community and Economic Development Committee considered the Mayor's LA Business Task Force City of Los Angeles Business Improvement Districts Policy and Implementation Guidelines (attached to Council File) and City Clerk and Chief Legislative Analyst recommendations pursuant to the approval and implementation of that policy.

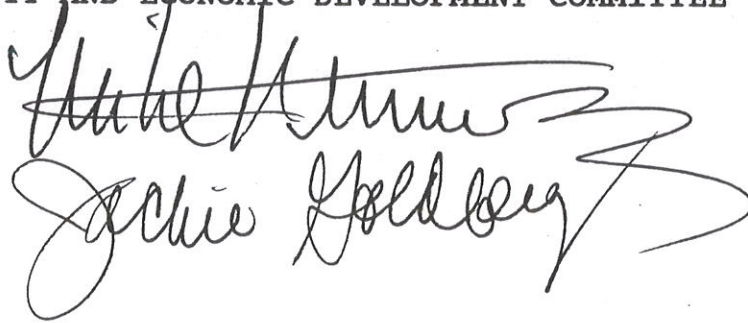
The Committee requested that with respect to consultant funding, where funds are allocated, a match of 50% of the requested amount

is required, of which at least 15% must be in cash. In addition, with the Mayor's representative's concurrence, the Committee revised the Business Improvement District Assessment Credit each business within the district would be eligible for over a four year period, with the understanding that the credits were to remain revenue neutral.

The Community and Economic Development Committee concurred with the City Clerk and Chief Legislative Analyst recommendations and forwarded that matter to Council for its consideration.

Respectfully submitted,

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

Handwritten signatures of Mike H. ... and Jackie Goldberg.

RPT.

ADOPTED

JAN 14 1998

Los Angeles City Council

CAL
1/9/98

Mayor With File -354