



## Legislation Text

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**File #:** 13-0401, **Version:** 2

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Recommendation to adopt Resolution of Intention to re-establish the Magnolia Industrial Group Property and Business Improvement District, set the date of Tuesday, July 23, 2013 at 5:00 p.m. for a public hearing, receive petitions, authorize City Manager to sign in favor and return the City's Ballot; and designate the Administrative Board. (District 1)

The State of California Property and Business Improvement District Law of 1994 (Section 33600 et seq. of the California Streets and Highways Code) (Law) and Article XIID of the California Constitution (Proposition 218) enables the City to create a property-based assessment district allowing property owners to voluntarily assess themselves for various services beyond those provided by the City, including enhanced maintenance, public safety, beautification, marketing and economic development programs. The Magnolia Industrial Group Property and Business Improvement District (MIG-PBID) was initially established by the City Council in 1996. On July 15, 2003, the City Council re-established the District for a term of 10 years. The current MIG-PBID terminates on November 30, 2013, and MIG property owners are now seeking to re-establish the MIG-PBID for an additional 10-year term.

In accordance with the Law, the MIG wishes to re-establish the District and continue the security and clean-up programs for another 10 years. As required by law, an election of property owners to be assessed must be conducted. If a majority of the property owners vote in favor (with each vote proportionally weighted according to the amount of each assessment), then the District shall be re-established. The Office of the City Clerk has on file petitions signed in support of renewal by property owners who will pay more than 50 percent of the total proposed assessment.

The MIG Management District Plan and Engineering Report (attached to the Resolution as Exhibit A) detail the amount and method of assessment, District boundaries, and improvements for which the funds will be used. The Board-approved MIG-PBID rate of assessment is based on the square footage of developed property within the boundaries as shown on the map in Section III of the attached Management District Plan. The Plan allows up to a 4 percent per year cost-of-living increase in the assessment rate.

The total assessment for the newly reformed District is projected to be \$85,890, and the City's anticipated assessment amount in the first year (beginning January 2014) is estimated to be \$1,488 for the Public Service Yard. The assessment amount owed by the City is based upon the special benefit received by City-owned properties and is calculated using the parcel size total of 91,476 square feet. The calculation of the assessment is consistent with the Management District Plan and the methodology detailed in the Engineer's Report.

Adoption of the Resolution will declare the City's intention to begin District formation proceedings and set a public hearing for 5:00 PM on July 23, 2013. In addition, adoption authorizes a vote of the property owners, the results of which will be announced at the July 23, 2013 public hearing, and it

appoints the MIG Board as the advisory body for the District's administration.

This matter was reviewed by Assistant City Attorney Charles Parkin on April 24, 2013 and Budget Management Officer Victoria Bell on April 30, 2013.

The current MIG-PBID contract terminates on November 30, 2013. City Council action is requested on June 4, 2013 to allow a timely completion of the balloting process and submittal of the supplemental levy to the Los Angeles County Assessor before August 9, 2013 in order for the new 10-year term and the proposed new assessment to become effective January 2014.

Sufficient funds to cover the MIG-PBID contract will be included in the FY 14 budget in the Parking and Business Area Improvement Fund (SR132) in the Department of Public Works (PW). The contract amount will be fully offset by the FY 14 estimated assessment revenue of \$85,890. This revenue includes the City's anticipated assessment of \$1,488 for City-owned parcels, which will be absorbed in the General Fund (GP) budget in the Department of Public Works (PW). Approval of this recommendation will result in a positive local job impact.

Approve recommendation.

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH  
DECLARING THE INTENTION OF THE CITY OF COUNCIL TO RE-ESTABLISH THE MAGNOLIA  
INDUSTRIAL GROUP PROPERTY AND BUSINESS IMPROVEMENT DISTRICT, FIXING THE TIME  
AND PLACE OF A PUBLIC HEARING THEREON AND GIVING NOTICE THEREOF

ARA MALOYAN, PE  
ACTING DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST  
CITY MANAGER