



CITY OF LONG BEACH

UB-20

DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard 9th Floor • Long Beach, CA 90802 • (562) 570-6383 • Fax (562) 570-6012

November 13, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution of Intention to re-establish the Andy Street Multi-family Improvement District (AMID), set the date of January 8, 2013 for a public hearing, receive petitions and designate Andy Street Community Association (ASCA) as the owners' association for the AMID. (District 9)

DISCUSSION

Property owners and businesses in the vicinity of the portion of Andy Street north of South Street and west of Downey Avenue have petitioned the City for the re-establishment of a multi-family improvement district. The proposed Andy Street Multi-family Improvement District (AMID) will be made up of property and business owners within the proposed boundaries. The Andy Street Multi-family Improvement District Management Plan and Engineers Report details the amount and method of assessment for each property and business owner, the AMID boundaries, and improvements for which the funds will be used. The Management Plan and Engineer's Report are provided as exhibits to the attached Resolution of Intention (ROI). Over the past several years, City staff has worked with property and business owners in the area to reduce crime, enhance resident safety and improve the economic vitality of the area. Property and business stakeholders representing 67 percent of the total proposed district assessment have signed petitions in support of the district and related assessment.

Under the Multi-family Improvement District Law as referenced in Section 36701 of the California Streets and Highways Code (Law), Andy Street property and business owners may assess themselves for supplemental security patrol and other services including: marketing, managerial services, cleaning services, parking facilities, benches, pedestrian shelters, signs, entry monuments, trash receptacles, street lighting, street decorations, parks, fountains, planting areas and street modifications within the scope described in the Management Plan and within the AMID. Under the proposed Management Plan, AMID funds are to be used to administer security and safety programs, to reduce crime, and to improve the quality of life for residents on Andy Street and the adjacent shopping area. The AMID is expected to generate approximately \$106,473 in Fiscal Year 2013 for these services. The proposed contract period is for 10 years, and the first year levy of assessment will cover the period of October 1, 2012 through September 30, 2013.

Assessment Methodology

Property and business owners have emphasized that the assessment formula for the AMID be fair and equitable to all members of the district. Lot square footage and business use are relevant to the security benefit of district stakeholders and reflect the special benefit of the AMID. Based on these considerations, the following method will be used to determine the assessment:

Property Type	Initial Rate
Parcels with Multi-Family Residential Uses	\$0.6600 per parcel square foot
Parcels with Commercial Uses	\$0.0162 per parcel square foot
Parcels with Storage Uses	\$0.0126 per parcel square foot
Parcels Owned/Utilized by Non-Profit Entities	Not Assessed

Business Type	1-5 Employees	6-10 Employees	10+ Employees
Professional	\$ 250.00	\$ 270.00	\$ 320.00
Financial / Insurance	\$ 250.00	\$ 270.00	\$ 320.00
Retail	\$ 195.00	\$ 220.00	\$ 270.00
Bar/Alcohol Restaurant	\$ 345.00	\$ 370.00	\$ 420.00
Non-Alcohol Restaurant	\$ 245.00	\$ 270.00	\$ 320.00
Service	\$ 160.00	\$ 185.00	\$ 220.00
Non-Profit	\$ 140.00	\$ 140.00	\$ 140.00
Miscellaneous	\$ 160.00	\$ 175.00	\$ 195.00
Secondary License	\$ 95.00	\$ 100.00	\$ 105.00

In the first year of re-establishment, property owner assessments will be handled through hand billing, and in subsequent years the assessments will be collected by Los Angeles County on annual property tax bills and transferred to the City. The City will collect business assessments through the business license billing system. Assessment rates may be subject to an increase of no more than four percent (4%) per year.

Adoption Process

The attached ROI, Management Plan and Engineer's Report are necessary to re-establish AMID boundaries, specify its mission and describe the planned improvements and activities. The ROI also establishes the AMID Advisory Board, provides the method and basis of levying the assessment and proposes that the Andy Street Community Association administer district programs. Adoption of the attached ROI declares the City Council's intention to begin the AMID proceedings and sets a public hearing for January 8, 2013 at 5:00PM. To comply with the Law, an election of stakeholders to be assessed must also be conducted. Ballots will be mailed to all members of the district and notice of the hearing will also be published as required by the ROI. Business owners will be sent a notice of protest preceding the public hearing.

Election votes will be tabulated at the public hearing. Vote values will be weighted according to assessment amount determined by the assessment methodology described in

the Management Plan. If, at the public hearing, more than two-thirds of the property assessment vote in favor, the AMID shall be formed. If owners representing more than one-third of the assessment vote against the AMID, it shall not be formed.

The City Council shall receive written or oral protests from business owners at the public hearing. Protests must be filed in writing with the City Clerk and must contain sufficient detail to identify the business and evidence allowing the City to substantiate ownership, so as to obtain a count in determining a majority protest.

This matter was reviewed by Assistant City Attorney Charles Parkin on September 26, 2012, and Budget Management Officer Victoria Bell on August 31, 2012.

TIMING CONSIDERATIONS

The AMID reformation must be completed as soon as possible to allow continuance of the MID.

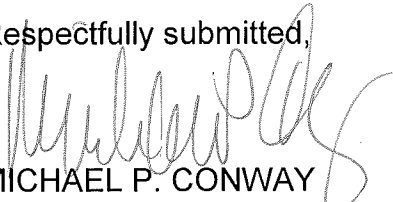
FISCAL IMPACT

If the district is re-established following the January 8, 2013 public hearing, the AMID revenue will be deposited in the Parking and Business Area Improvement Fund (SR 132) in the Public Works Department. Expenditures will be limited to revenue collected through assessments. There is no fiscal impact to the General Fund. Approval of this recommendation will provide continued support to the local economy.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

MPC:VSG:jf
Andy St MID petition ROI 11/13/12.doc

Attachment
Draft Management District Plan
Resolution

APPROVED:

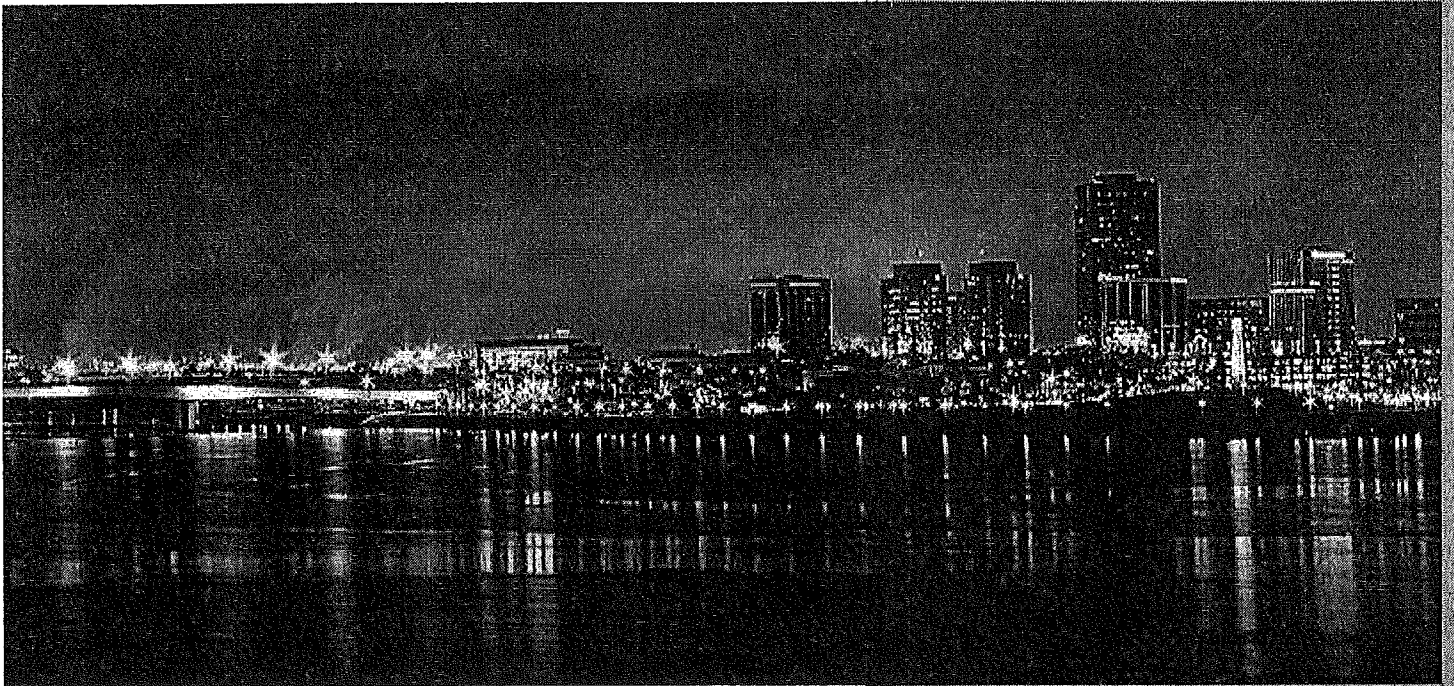


PATRICK H. WEST
CITY MANAGER

Attachment

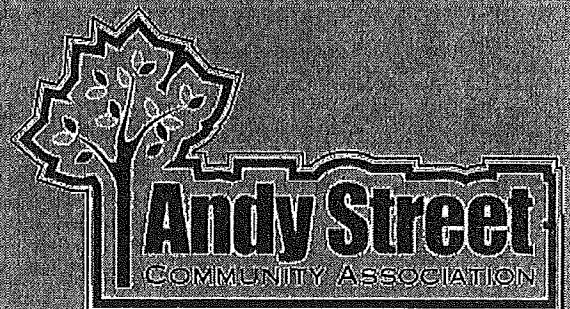
**2013 -
2022**

DRAFT Management District Plan



**Andy Street Multi-Family
Improvement District**

August 30, 2012



DRAFT
ANDY STREET MID
MANAGEMENT DISTRICT PLAN

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Prepared by



www.civitasadvisors.com
(800)999-7781

I. INTRODUCTION AND OVERVIEW

Developed by a coalition of property and business owners, the Andy Street Multi-Family Improvement District (AMID) is a benefit assessment district whose goal is to improve the Andy Street area. The District was formed under the Multi-Family Improvement District Law of 2004, Streets and Highways Code §36700 et seq. The District was created in 2007 for a five-year term; this Plan proposes to renew the District and provide services for an additional ten years.

Location: The AMID includes a 36-acre area of Long Beach along Andy Street. The District includes parcels and businesses bounded in the south by South Street, in the east by Downey Avenue, in the north by 59th Street, and in the west by Obispo Avenue. See the map in Section III for more detail.

Services: Clean and safe efforts including programs to increase safety, beautification, and related administration to benefit District property and business owners.

Budget: The AMID annual budget for the initial year of its ten-year operation is anticipated to be \$106,473.22. The budget may be subject to an annual assessment rate increase of up to four percent (4%) per year.

Cost: The District includes both parcels and businesses. The annual assessment rate for parcels is based on parcel square footage and parcel use. The annual assessment rate for businesses is based on business type and number of employees. Annual assessments rates for the initial year are:

Parcel Type	Annual Assessment Rate (Initial Year)
Parcels with Multi-Family Residential Uses	\$0.6600 per parcel square foot
Parcels with Commercial Uses	\$0.0162 per parcel square foot
Parcels with Storage Uses	\$0.0126 per parcel square foot
Parcels Owned/Utilized by Non-Profit Entities	Not Assessed

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	1-5 Employees	6-10 Employees	10+ Employees
Bar/Alcohol Restaurant	\$ 345.00	\$ 370.00	\$ 420.00
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Retail	\$ 195.00	\$ 220.00	\$ 270.00
Restaurant	\$ 245.00	\$ 270.00	\$ 320.00
Service	\$ 160.00	\$ 185.00	\$ 220.00
Secondary License	\$ 95.00	\$ 100.00	\$ 105.00

Assessment rates may be subject to an increase of no more than four percent (4%) per year. Bonds will not be issued as part of this AMID.

Formation: AMID renewal requires submittal of petitions from property and business owners representing at least two-thirds (2/3) of the total assessment, followed by City Council hearings and an owner ballot and protest process.

Duration: The renewed AMID will have a ten-year life, beginning January 1, 2013 and ending December 31, 2022. After ten years, the petition process, ballot process, and City Council hearing process must be repeated for the AMID to be re-established.

Name: The name of the District will be “Andy Street Multi-Family Improvement District.”

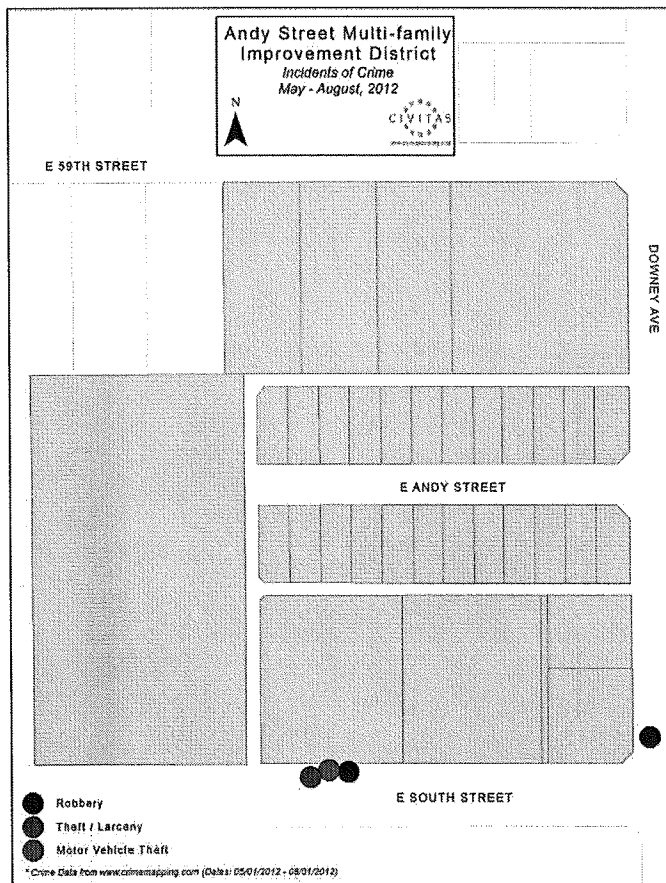
Governance: The District funds will be managed, and programs implemented by, the Andy Street Community Association. The Association will serve as the District’s Owners’ Association.

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II. HISTORY AND GOALS

The Andy Street MID was created in 2007 to address issues of major and minor crime, particularly graffiti, illegal dumping, prostitution, and vandalism. At the time, the area was experiencing a significant amount of major crimes, including murder, manslaughter, rape, and assault. The police department received an average of between 50 and 60 calls for service every month, and would only enter the area with backup on hand. Residents and property owners seeking a change worked with the City to create the MID. Because these issues affected property and business owners alike, the District was among the first in the state to include both property and businesses.

Over the past five years, the District funds have been used to reduce crime, improve safety, and improve the economic vitality of the District. The Andy Street Community Association has carefully managed the District funds and programs. Although the previous Plan allowed for an increase to the assessment rate each year, and despite increases to the cost of living, the assessment rate was only increased once in five years. In most years, the Association's careful budget management led to a surplus amount being carried over to fund additional services in the next year.



The District's security programs have been highly successful in improving the Andy Street area. Calls for service to the police department have been reduced approximately 80 percent: in May 2012 there were 16 calls, June also had 16 calls, and July had 12. Notably, the incidence of major violent crimes has been nearly eliminated. The map below shows incidents between May and August 2012.

The renewed District will continue providing clean and safe programs to benefit Andy Street property and business owners. The District's security patrols and clean-up services have been instrumental in improving the area over the past five years.

III. BOUNDARIES

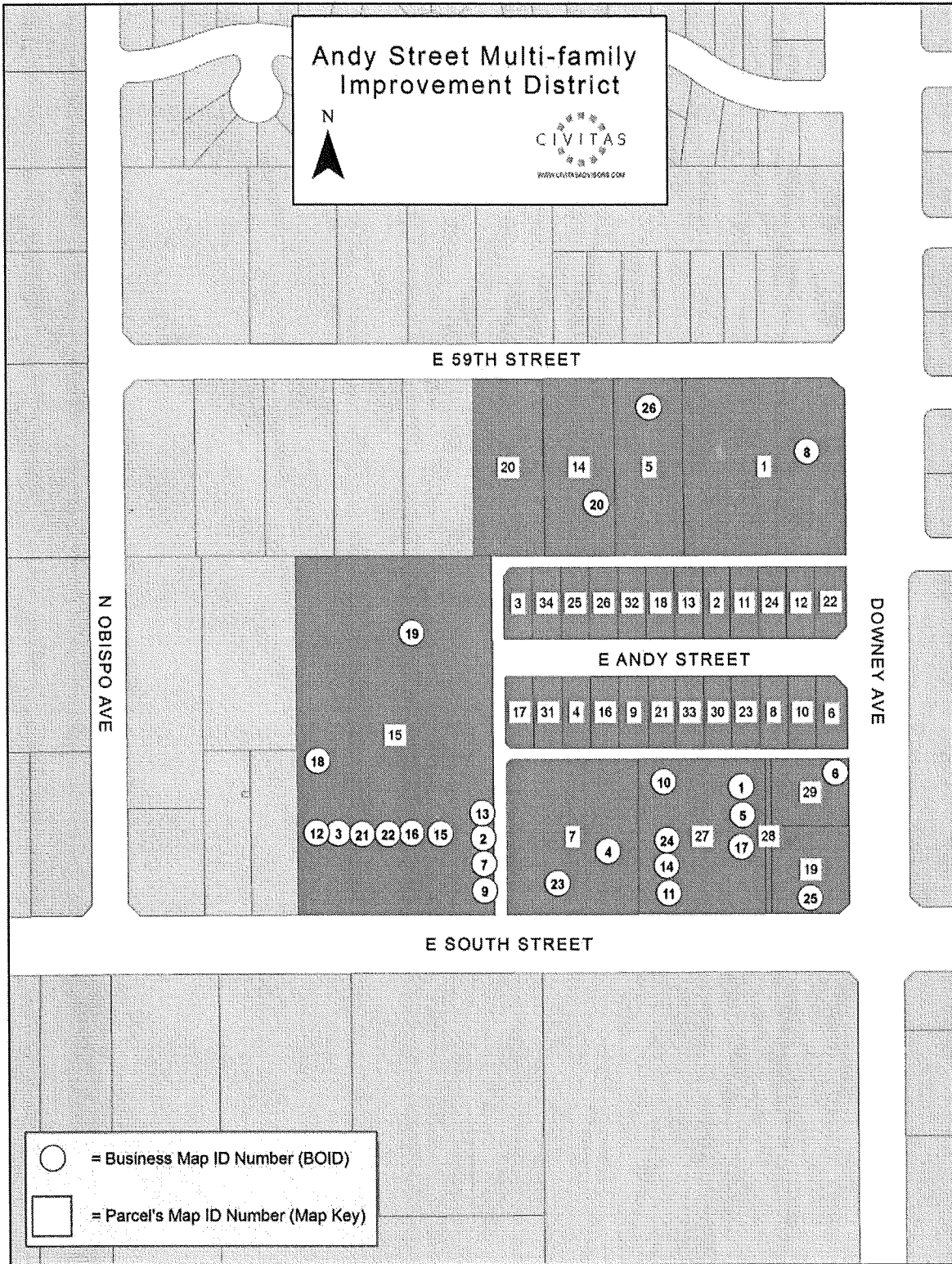
The AMID will deliver services to a 36-acre area of Long Beach along Andy Street. The District includes parcels and businesses bounded in the south by South Street, in the east by Downey Avenue, in the north by 59th Street, and in the west by Obispo Avenue.

Specifically, the District boundary is as follows:

Beginning at the southwest corner of Assessor's Parcel Number (APN) 712-1009-042 (Map Key 15), north along the western boundary and east along the northern boundary of said parcel to the southwest corner of APN 712-1008-005 (Map Key 20). North along the western boundary of said parcel to 59th Street. East along the south edge of 59th Street to Downey Avenue. South along the west edge of Downey Avenue, across Andy Street, to South Street. West along the north edge of South Street to the southwest corner of APN 712-1009-042 (Map Key 15), the point of beginning.

The service area includes approximately 34 properties and 26 businesses (holding 33 business licenses). The AMID boundary is illustrated by the map on the following page. Parcels are identified by the Map Key numbers found in Appendix 2. Businesses are identified by the BOID numbers found in Appendix 3. A larger map is available on request by calling (916)325-0604 or (800)999-7781.

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IV. SERVICE PLAN AND BUDGET

A. Services

The AMID will provides services which specially benefit parcels and provide a specific benefit to businesses within its boundaries. The services provided are targeted specifically to assessees. Services will not be provided outside the District boundaries.

1. Clean and Safe

The primary purpose of establishing the AMID was to provide enhanced security in the area. Since District establishment, property and business owners have benefitted from an increased level of security provided by private patrols and property and business owner training and involvement programs. These services are supplemental to and complement the efforts of the Long Beach Police Department (LBPD).

A private security company will be hired to provide services to the District. Patrols will make rounds to properties and businesses on a regular basis, and work with the LBPD to prevent and respond to criminal activity, such as illegal trespassing, incidents of graffiti, loitering, public nuisance, illegal dumping and similar activity negatively impacting assessed properties and businesses. The patrols will not respond to criminal activity, but rather will act as observation units that alert the LBPD when responses are necessary. Patrols may be vehicular or on foot; regardless of the form they will be clearly identifiable as private security. Patrol routes and schedules will be established and modified as the District's needs change, but will only be provided to assessed parcels and businesses.

Beautification efforts will be intended to create an attractive, pleasant environment which will increase commercial activity for the benefit of property and business owners. Beautification efforts will include cleaning and landscaping. Cleaning services will be provided as needed to address illegal dumping, graffiti, litter, dirty sidewalks and gutters, and similar conditions throughout the District. Landscaping will also be provided as needed, and include watering, trimming, weed abatement, and similar services.

2. Administration

The AMID will facilitate a strong and organized voice to represent the property and business owners in the District. Administration, with guidance from the Board of Directors, will provide for the day-to-day operations of the District programs. The administration budget will include administrative staff costs, insurance, legal and accounting costs, dues, office expenses (postage, copying, phone, etc.), and operational expenses such as assessment roll updates.

3. Contingency Reserve

The budget includes a prudent fiscal reserve. Changes in data and other issues may change the revenue and expenses. In order to buffer the organization for unexpected changes in revenue, and/or allow the AMID to fund other overhead or renewal costs, the reserve is included as a budget item. At the end of the District's ten-year term, if owners wish to renew and there are contingency funds remaining, those funds may be used for the renewal effort.

B. Budget

1. Summary

The annual budget for the initial year of operation is expected to be \$106,473.22

2. Maximum Annual Budget

To account for increased costs in providing services, assessment rates may be subject to an increase of no more than four percent (4%) per year. The maximum budget will fluctuate as businesses open and close within the District; new businesses opening during the term of the District will be assessed. The annual maximum budget over the District's ten-year term shall not exceed:

Year	Maximum Budget
2013	\$110,000.00
2014	\$ 115,000.00
2015	\$ 120,000.00
2016	\$ 125,000.00
2017	\$ 130,000.00
2018	\$ 135,000.00
2019	\$ 140,000.00
2020	\$ 145,000.00
2021	\$ 150,000.00
2022	\$ 155,000.00

3. Annual Service Budget

Although the annual total budget will fluctuate, the annual budget will be allocated to the various services in the percent proportions below.

Category	%	Budget (Initial Year)
Clean & Safe	77.5%	\$82,516.75
Administration	20.0%	\$21,294.64
Contingency	2.5%	\$2,661.83
Total	100.0%	\$106,473.22

4. Surplus

Funds not spent in any year may be carried over to the next year and spent on security, beautification and administrative services in accordance with the provisions of this Plan, or added to the contingency reserve.

5. Allocation Adjustments

Although revenues may fluctuate from year to year, the proportional allocation of revenues shall remain consistent, except that funds can be reallocated between services by up to fifteen percent of the total budget (15%) each year.

6. Ten-Year Budget

Assuming that the annual maximum four percent increase is implemented, there is no adjustment to categorical allocations per section 4 above, and that the number of businesses remains the same, the annual budget for each year of operation is shown below. The actual budget will fluctuate as businesses open and close within the District.

Year	Clean & Safe	Administration	Contingency	Total
%	77.5%	20.0%	2.5%	100.0%
2013	\$ 82,516.75	\$ 21,294.64	\$ 2,661.83	\$ 106,473.22
2014	\$ 85,817.42	\$ 22,146.43	\$ 2,768.30	\$ 110,732.15
2015	\$ 89,250.11	\$ 23,032.29	\$ 2,879.04	\$ 115,161.44
2016	\$ 92,820.12	\$ 23,953.58	\$ 2,994.20	\$ 119,767.90
2017	\$ 96,532.92	\$ 24,911.72	\$ 3,113.97	\$ 124,558.61
2018	\$ 100,394.24	\$ 25,908.19	\$ 3,238.52	\$ 129,540.95
2019	\$ 104,410.01	\$ 26,944.52	\$ 3,368.06	\$ 134,722.59
2020	\$ 108,586.41	\$ 28,022.30	\$ 3,502.79	\$ 140,111.50
2021	\$ 112,929.86	\$ 29,143.19	\$ 3,642.90	\$ 145,715.95
2022	\$ 117,447.06	\$ 30,308.92	\$ 3,788.61	\$ 151,544.59

V. GOVERNANCE

A. Owners' Association

The District shall be governed by the Andy Street Community Association. The Andy Street Community Association shall serve as the Owners' Association described in Streets and Highways code section 36742. The Board of Directors of the Andy Street Community Association and its staff are charged with the day-to-day operations of the AMID.

The Board of Directors of Andy Street Community Association must be comprised of a majority of parcel and business owners paying the assessment. In addition, the Board of Directors must represent a variety of interests within the AMID and respond to the needs of property and business owners within the AMID.

The Board of Directors shall act in the best interests of all of the properties and businesses within the AMID. The diverse representation described above ensures that the interests of all of the properties and business in the AMID shall be fairly represented.

B. Brown Act and Public Records Act Compliance

The Andy Street Community Association is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Andy Street Community Association board must be held in compliance with the public notice and other requirements of the Brown Act. Records must also be kept in compliance with the California Public Records Act, Government Code §6250 et seq.

C. Annual Report

The Andy Street Community Association shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36741 (see Appendix 1).

VI. ENGINEER'S REPORT

A. Assessment Methodology

1. Base Formula

Property and business owners have emphasized that an assessment formula for the AMID be fair, balanced, and commensurate with benefits received. The annual assessment rate for parcels is based on parcel square footage and type. The annual assessment rate for businesses is based on business type and number of employees. The initial year's annual assessments rates are:

Parcel Type	Annual Assessment Rate (Initial Year)
Parcels with Multi-Family Residential Uses	\$0.6600 per parcel square foot
Parcels with Commercial Uses	\$0.0162 per parcel square foot
Parcels with Storage Uses	\$0.0126 per parcel square foot
Parcels Owned/Utilized by Non-Profit Entities	Not Assessed

Business Type	1-5 Employees	6-10 Employees	10+ Employees
Professional	\$ 250.00	\$ 270.00	\$ 320.00
Financial / Insurance	\$ 250.00	\$ 270.00	\$ 320.00
Retail	\$ 195.00	\$ 220.00	\$ 270.00
Bar/Alcohol Restaurant	\$ 345.00	\$ 370.00	\$ 420.00
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Service	\$ 160.00	\$ 185.00	\$ 220.00
Non-Profit	\$ 140.00	\$ 140.00	\$ 140.00
Miscellaneous	\$ 160.00	\$ 175.00	\$ 195.00
Secondary License	\$ 95.00	\$ 100.00	\$ 105.00

A list of parcels assessed and the initial assessment rates is included in Appendix 2. A list of businesses assessed and the initial assessment rates is included in Appendix 3. Assessment rates may be subject to an increase of no more than four percent (4%) per year. If you would like more information about assessments, please call Civitas at (916)325-0604 or (800)999-7781.

2. Multi-Family Residential Parcels

The services provided by the AMID are designed to benefit commercial and multi-family residential parcels. Multi-family residential parcels will receive, and benefit from, the District's security, beautification, and administrative services. These parcels will be assessed commensurate with the benefit they receive. Multi-family parcels will be assessed an initial rate of \$0.6600 per parcel square foot per year.

3. Commercial Parcels

The services provided by the AMID are designed to benefit commercial and multi-family residential parcels. Commercial parcels will receive, and benefit from, the District's security, beautification, and administrative services. These parcels will be assessed commensurate with the benefit they receive. Commercial parcels will be assessed an initial rate of \$0.0162 per parcel square foot per year.

4. Storage Parcels

Parcels owned and occupied by storage facilities do not receive the same benefits as other commercial parcels. These parcels have only a small amount of pedestrian and consumer traffic and thus a reduced need for services. Storage parcels will be assessed an initial rate of \$0.0126 per parcel square foot per year.

5. Businesses

Businesses holding a business license within the District will be assessed. The business assessment is an annual dollar amount, based on the business type and number of employees, as indicated on each business license obtained. Home-based businesses will not be assessed. New businesses opening during the term of the District will be assessed.

6. Non-Profit Entities

Parcels owned and utilized by non-profit entities will not be subject to the parcel assessment. Non-profit organizations with a business license within the District will, however, pay the applicable business assessment.

7. Bonds

Bonds will not be issued as part of this AMID.

B. Special Benefit

The assessment will be imposed in accordance with the provisions of Article XIII D of the California Constitution. The special benefit to parcels and businesses from the AMID exceeds the total amount of the assessment.

Assessment law provides that the expenses of the AMID shall be apportioned in proportion to the benefit received by each parcel and business. In addition, the law requires that the assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel or business. The law provides that only special benefits are assessable, and requires the City to separate the general benefits from the special benefits conferred on a parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the AMID. The general enhancement of property value does not constitute a special benefit.

Each and every parcel and business assessed within the AMID receives a particular and distinct benefit from the improvements and activities of the AMID, over and above general benefits conferred by the general activities of the City. The proposed security and beautification programs will improve commercial activity within the AMID, thereby benefiting all parcels and businesses within the AMID. And the services themselves constitute a special benefit to the assesseees. Services will only be provided within the District to assessed parcels and businesses, they will not be provided outside the District to those not charged.

It is acknowledged that there may be a general benefit created as a result of the District's programs. Although they are narrowly designed and carefully implemented to benefit the assessed property and business owners, the programs may generate a benefit to the public at large within the District. Based on calls for security services, it is estimated that 10% of the services provided are to the general public. Therefore, it is estimated that 10% of the benefit created with assessment funds is general and will be paid for with funds not obtained through parcel and business assessments.

The programs provided with AMID funding also receive non-assessment funding in the form of grants, corporate sponsorships, and other miscellaneous funds. These funding sources provide approximately \$15,000 annually. This outside funding more than pays for the amount of general benefit created by District programs.

C. Time and Manner for Collecting Assessments

1. Parcels

The AMID assessment will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. The County of Los Angeles shall distribute funds collected to the City of Long Beach and then to the AMID pursuant to the authorization of this Plan. Existing laws for enforcement and appeal of property taxes apply to the AMID assessments.

2. Businesses

The assessment on businesses will be collected by the City of Long Beach on the annual business license. Existing laws for enforcement and appeal of business licenses apply to the AMID assessment.

3. Assessment Notice

An assessment notice will be sent to owners of each parcel and business in the AMID. The assessment notice provides an estimated assessment based upon the parcel's size and use or the businesses type and number of employees, as applicable. A list of parcels to be included in the AMID is provided within Appendix 2, and a list of businesses to be included in the AMID is provided within Appendix 3.

Review of this AMID Management District Plan and preparation of this Engineer's Report for the Andy Street Multi-Family Improvement District was completed by:

Orin N. Bennett, PE
State of California
Registered Civil Engineer No. 25169

Date



TRUSTED ENGINEERING ADVISORS

Bennett Engineering Services
1082 Sunrise Avenue, Suite 100
Roseville, California 95661

T 916.783.4100
F 916.783.4110

www.ben-en.com

APPENDIX 1 – MID LAW

STREETS AND HIGHWAYS CODE
Division 18. Parking
Part 8. Multifamily Improvement Districts
Chapter 1. General Provisions

§ 36700. Citation of part

This part shall be known and may be cited as the "Multifamily Improvement District Law."

§ 36701. Legislative findings and declarations

The Legislature finds and declares all of the following:

(a) Many businesses that operate multifamily residential properties and commercial properties within predominantly multifamily neighborhoods of California's communities are economically disadvantaged, are underutilized, and are unable to attract tenants because of inadequate facilities, services, and activities in those neighborhoods.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of the multifamily residential neighborhoods to create jobs, attract new businesses, and prevent the erosion of the multifamily residential neighborhoods.

(c) It is of particular local benefit to allow cities to fund business related improvements and activities through the levy of assessments upon the businesses or real property that benefit from those improvements.

(d) Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities that confer special benefits upon the real property or businesses for which the improvements and activities are provided.

§ 36702. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)) and the Property and Business Improvement District Law of 1994 (Part 7 (commencing with Section 36600)). This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36703. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36704. Preemption of authority or charter city to adopt ordinances levying assessments

(a) Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part.

(b) A multifamily improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

(c) Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.

(d) This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect.

(e) Assessments levied under this part are not special taxes.

(f) Consistent with Article XIIC of the California Constitution, no assessment shall be imposed under this part on any property which exceeds the reasonable cost of the proportional special benefit conferred on that property. Only special benefits are assessable, and a city shall separate the general benefits from the special benefits conferred on any property.

§ 36705. Definitions

As used in this part:

(a) "Activities" means, but is not limited to, all of the following:

(1) Providing security services supplemental to those normally provided by the city.

(2) Maintaining, including irrigating, landscaping.

(3) Providing sanitation, graffiti removal, street and sidewalk cleaning, and other public services supplemental to those normally provided by the city.

(4) Marketing, advertising, and promoting economic development, including the retention and recruitment of businesses and tenants.

(5) Providing managerial services for multifamily residential businesses.

(6) Providing building inspection and code enforcement services for multifamily residential businesses supplemental to those normally provided by the city.

(b) "Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the properties or businesses located within a multifamily improvement district.

(c) "Business" means all types of businesses, including, but not limited to, the operation of multifamily residential properties, retail stores, commercial properties, financial institutions, and professional offices.

(d) "City" means a city, county, city and county, or an agency or entity created pursuant to the Joint Exercise of Powers Act, Article 1 (commencing with *Section 6500*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*, the public member agencies of which includes only cities, counties, or a city and county.

(e) "City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

(f) "Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more, including, but not limited to:

- (1) Parking facilities.
- (2) Benches, booths, kiosks, display cases, pedestrian shelters, signs, and entry monuments.
- (3) Trash receptacles.
- (4) Street lighting.
- (5) Street decorations.
- (6) Parks.
- (7) Fountains.
- (8) Planting areas.
- (9) Closing, opening, widening, or narrowing of existing streets.

(10) Facilities or equipment, or both, to enhance the security of persons and property within the district.

(11) Ramps, sidewalks, plazas, and pedestrian malls.

(12) Rehabilitation or removal of existing structures.

(g) "Management district plan" or "plan" means a proposal as described in Section 36713.

(h) "Multifamily improvement district," or "district," means a multifamily improvement district established pursuant to this part.

(i) "Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose.

(j) "Property" means real property situated within a multifamily improvement district.

(k) "Property owner" or "owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. The city council has no obligation to obtain other information as to the ownership of land, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this subdivision requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient.

(l) "Tenant" means an occupant pursuant to a lease or a rental agreement of commercial space or a dwelling unit, other than an owner.

§ 36710. Establishment of multifamily improvement district

(a) A multifamily improvement district may be established pursuant to this chapter.

(b) A city may not form a multifamily improvement district on or after January 1, 2022, unless a later statute which is enacted on or before January 1, 2022, deletes or extends that date.

§ 36711. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

§ 36712. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by either property owners paying more than two-thirds of the proposed assessment or by business owners paying more than two-thirds of the proposed assessment, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district.

(b) The petition of the property owners or the business owners required pursuant to subdivision (a) shall include all of the following:

(1) A map showing the general boundaries of the proposed district.

(2) A general description of the proposed activities and improvements to be carried out by the district.

(3) A general description of how the proposed district will be financed, and whether bonds are proposed to be issued.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or on businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) Order the preparation of a management district plan by a registered professional engineer certified by the state.

§ 36713. Contents of management district plan

The management district plan shall contain all of the following:

(a) A map of the proposed district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district.

(b) The name of the proposed district.

(c) A description of the boundaries of the proposed district, including the boundaries of any benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and businesses included. Under no circumstances shall the boundaries of a proposed district overlap with the boundaries of another existing district created pursuant to this

part. Nothing in this part prohibits the boundaries of a district created pursuant to this part to overlap with other assessment districts.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district.

(f) The proposed source or sources of financing including the proposed method and basis of levying the assessment in sufficient detail to allow each property owner or each business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan shall also state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding those time limitations, a district that finances improvements with bonds may levy assessments until the maximum maturity of those bonds, not to exceed 20 years. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties or the businesses to be assessed, including the assessor's parcel numbers for any properties to be assessed, and a statement of the method or upon benefited real property or businesses, in proportion to the benefit received by the property or the business, to defray the cost thereof, including operation and maintenance. The plan may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.

(l) Any other item or matter required to be incorporated therein by the city council.

§ 36714. Compliance with notice, protest and hearing procedures

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedures shall comply with *Section 53753 of the Government Code*. Notwithstanding subdivision (e) of *Section 53753 of the Government Code*, the city may not establish the district or levy assessments if the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed one-third of the total assessment ballots submitted, and not withdrawn, weighting those assessment ballots by the amount of the proposed assessment to be imposed upon the identified parcel for which each assessment ballot was submitted.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with *Section 54954.6 of the Government Code*, except that notice shall be mailed to the owners of the businesses proposed to be assessed.

§ 36715. Modifications, revisions, reductions or changes to proposed assessment district

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements

and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed district that will exclude territory that will not benefit from the proposed improvements or activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36718.

§ 36716. Contents of resolution of formation

(a) If the city council, following the public hearing, decides to establish the proposed district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed one-third of the total assessment ballots submitted, and not withdrawn, weighting those assessment ballots by the amount of the proposed assessment to be imposed upon the identified parcel for which each assessment ballot was submitted.

(5) A statement that the properties or businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or the businesses within the area of the district will be benefited by the improvements and activities funded by the assessments proposed to be levied.

(b) The adoption of the resolution of formation and recordation of the notice and map pursuant to Section 36718 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

§ 36717. Resolution of formation; Changes; Preliminary resolution

If the city council, following the public hearing, desires to establish the proposed district, and the city council has not made changes pursuant to Section 36715, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in paragraphs (1) to (8), inclusive, of subdivision (a) of Section 36716, but need not contain information about the preliminary resolution if none has been adopted.

§ 36718. Notice and assessment diagram; Inapplicable provisions

Following the adoption of the resolution establishing the district pursuant to Section 36716 or 36717, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. If the assessment is levied on businesses, the text of the recorded notice shall be modified to reflect that the assessment will be levied on businesses, or specified categories of businesses, within the area of the district. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

§ 36719. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose different assessments within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose different assessments or rates of assessment on each category of business, or on each category of business within each zone.

§ 36720. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements and activities.

§ 36721. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a district.

§ 36722. Expiration of district; Creation of new district

If a district expires due to the time limit set pursuant to subdivision (h) of Section 36713, a new management district plan may be created and a new district established pursuant to this part.

§ 36730. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution establishing the management district plan described in Section 36713. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties.

§ 36731. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties used for single-family 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.

§ 36732. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36717. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

§ 36733. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a district has been formed.

§ 36734. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

§ 36735. Modification of plan by resolution after public hearing; Adoption of resolution of intention; Modification of improvements and activities by adoption of resolution after public hearing

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36714. Notice of all other public meetings public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public meeting.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public meeting, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

§ 36736. Reflection of modification in notices and maps recorded

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36718.

§ 36737. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36716, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with *Section 6584*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Improvement Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36716, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 20 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

§ 36740. Compliance with Ralph M. Brown Act and California Public Records Act

Notwithstanding any other provision of this part, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of *Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the district.

§ 36741. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the

improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36734 and 36735.

(d) The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

§ 36742. Designation of owners' association to provide improvements and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements or activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

§ 36743. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or the businesses in the prior district. If the renewed district does not include parcels or the businesses

included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

§ 36744. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been a misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners of real property or of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall give notice of the public hearing on the proposed disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the district. The notice of the hearing on the proposed disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

§ 36745. Refund of remaining revenues upon disestablishment of district; Use of outstanding revenue collected after disestablishment of district; Calculation of refund

(a) Upon the disestablishment of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED PARCELS

Map Key	Assessor's Parcel Number (APN)	Parcel Size (sqft)	Initial Annual Assessment Rate (\$/sqft/yr)	Initial Assessment	Parcel Type*
1	7121008008	83,653.00	\$0.0000	\$0.00	1
2	7121009017	5,553.00	\$0.6600	\$3,664.98	2
3	7121009010	5,664.00	\$0.6600	\$3,738.24	2
4	7121009024	5,850.00	\$0.6600	\$3,861.00	2
5	7121008007	35,275.00	\$0.0162	\$571.46	4
6	7121009033	6,308.00	\$0.6600	\$4,163.28	2
7	7121009034	58,929.00	\$0.0162	\$954.65	4
8	7121009031	5,779.00	\$0.6600	\$3,814.14	2
9	7121009026	6,094.00	\$0.6600	\$4,022.04	2
10	7121009032	6,168.00	\$0.6600	\$4,070.88	2
11	7121009018	5,956.00	\$0.6600	\$3,930.96	2
12	7121009020	5,923.00	\$0.6600	\$3,909.18	2
13	7121009016	6,009.00	\$0.6600	\$3,965.94	2
14	7121008006	36,176.00	\$0.0162	\$586.05	4
15	7121009042	205,931.00	\$0.0126	\$2,594.73	3
16	7121009025	5,895.00	\$0.6600	\$3,890.70	2
17	7121009022	5,802.00	\$0.6600	\$3,829.32	2
18	7121009015	5,826.00	\$0.6600	\$3,845.16	2
19	7121009037	19,576.00	\$0.0162	\$317.13	4
20	7121008005	36,173.00	\$0.0162	\$586.00	4
21	7121009027	5,643.00	\$0.6600	\$3,724.38	2
22	7121009021	6,381.00	\$0.6600	\$4,211.46	2
23	7121009030	6,104.00	\$0.6600	\$4,028.64	2
24	7121009019	5,800.00	\$0.6600	\$3,828.00	2
25	7121009012	5,733.00	\$0.6600	\$3,783.78	2
26	7121009013	5,965.00	\$0.6600	\$3,936.90	2
27	7121009035	57,639.00	\$0.0162	\$933.75	4
28	7121009036	2,631.00	\$0.0162	\$42.62	4
29	7121009038	15,309.00	\$0.0162	\$248.01	4
30	7121009029	5,794.00	\$0.6600	\$3,824.04	2
31	7121009023	5,931.00	\$0.6600	\$3,914.46	2
32	7121009014	5,799.00	\$0.6600	\$3,827.34	2
33	7121009028	6,020.00	\$0.6600	\$3,973.20	2
34	7121009045	5,880.00	\$0.6600	\$3,880.80	2
	TOTAL	693,169.00		\$100,473.22	

*	Parcel Type
1	Parcels with Nonprofit Uses
2	Parcels with Multi-Family Residential Uses
3	Parcels with Storage Uses
4	Parcels with Commercial Uses

APPENDIX 3 – ASSESSED BUSINESSES

BOID	Business Name	Address	Business Type*	Initial Assessment (\$/yr)
1	A & V PAWN SHOP	3323 SOUTH ST	R1	\$195.00
2	ABLE INC	3255 SOUTH ST K202	S2	\$185.00
3	AFFORDABLE DME AND MEDICAL SUPPLIES INC	3253 SOUTH ST J103	R1	\$195.00
4	AMVETS DEPT OF CA SRV FOUNDATION	3315 E SOUTH ST	NP1	\$140.00
5	AUTHENTIC HAIR & BARBER	3325 SOUTH ST	Sec1	\$95.00
5	AUTHENTIC HAIR & BARBERING SALON	3325 SOUTH ST	Sec1	\$95.00
5	AUTHENTIC HAIR & BARBERING SALON	3325 SOUTH ST	S1	\$160.00
5	AUTHENTIC HAIR SALON	3325 SOUTH ST	Sec1	\$95.00
6	BOY'S HAMBURGERS #8	5815 DOWNEY AVE	A1	\$345.00
7	BUDMAN, DAVID	3255 SOUTH ST K204	S1	\$160.00
8	COMMUNITY GRACE BRETHERN CHURCH	5885 DOWNEY AVE	NP1	\$140.00
9	COMPLETE BUSINESS SOLUTIONS	3255 SOUTH ST K205	S1	\$160.00
10	COWBOY COUNTRY	3321 SOUTH ST	Sec1	\$95.00
10	COWBOY COUNTRY	3321 SOUTH ST	A3	\$420.00
10	COWBOY COUNTRY	3321 SOUTH ST	Sec1	\$95.00
11	ELBY'S LIQUOR	3337 SOUTH ST	R1	\$195.00
12	HOUSE OF FUNDUE RESTAURANT	3253 SOUTH ST J101	A1	\$345.00
13	KHA, CHAU MINH	3253 SOUTH ST J106	Sec1	\$95.00
14	L R STATUARY	3333 SOUTH ST	R1	\$195.00
15	LINK STAFFING SERVICES	3255 SOUTH ST K205	S1	\$160.00
16	LOVELY NAILS	3253 SOUTH ST J106	S1	\$160.00
16	LOVELY NAILS	3253 SOUTH ST	S1	\$160.00
17	MABRY, MONIQUE	3325 SOUTH ST	Sec1	\$95.00
18	P S ORANGECO INC	3207 SOUTH ST	R1	\$195.00
19	PUBLIC STORAGE INC	3207 SOUTH ST	S1	\$160.00
20	R S G INC	3300 E 59TH ST	M3	\$195.00
21	SANTO NINO FAMILY DENTISTRY	3253 SOUTH ST J104	P1	\$250.00
22	SIZZLING WOK	3253 SOUTH ST J105	A1	\$345.00
23	SOUTH STREET THRIFT CENTER INC	3315 SOUTH ST	R1	\$195.00
24	UBUYWERUSH	3329 SOUTH ST	R1	\$195.00
25	UNITED OIL #73	3495 SOUTH ST	R1	\$195.00
25	UNITED OIL 73	3495 SOUTH ST	Sec1	\$95.00
26	WESTERN INTEGRATED MATERIALS INC	3310 E 59TH ST	M3	\$195.00
	TOTAL			\$6,000.00

Business Types

Business Type	Description
A1	Bar / Alcohol Restaurant (1-5 Employees)
A2	Bar / Alcohol Restaurant (6-10 Employees)
A3	Bar / Alcohol Restaurant (10+ Employees)
F1	Financial / Insurance (1-5 Employees)
F2	Financial / Insurance (6-10 Employees)
F3	Financial / Insurance (10+ Employees)
M1	Miscellaneous (1-5 Employees)
M2	Miscellaneous (6-10 Employees)
M3	Miscellaneous (10+ Employees)
NP1	Non-Profit (1-5 Employees)
NP2	Non-Profit (6-10 Employees)
NP3	Non-Profit (10+ Employees)
P1	Professional (1-5 Employees)
P2	Professional (6-10 Employees)
P3	Professional (10+ Employees)
R1	Retail (1-5 Employees)
R2	Retail (6-10 Employees)
R3	Retail (10+ Employees)
Rest1	Restaurant (1-5 Employees)
Rest2	Restaurant (6-10 Employees)
Rest3	Restaurant (10+ Employees)
S1	Service (1-5 Employees)
S2	Service (6-10 Employees)
S3	Service (10+ Employees)
Sec1	Secondary License (1-5 Employees)
Sec2	Secondary License (6-10 Employees)
Sec3	Secondary License (10+ Employees)

1 RESOLUTION NO.

2
3 A RESOLUTION OF INTENTION OF THE CITY
4 COUNCIL OF THE CITY OF LONG BEACH DECLARING
5 THE INTENTION OF THE CITY COUNCIL TO
6 RE-ESTABLISH THE ANDY STREET MULTI-FAMILY
7 IMPROVEMENT DISTRICT, FIXING THE TIME AND
8 PLACE OF A PUBLIC HEARING THEREON AND GIVING
9 NOTICE THEREOF
10

11 WHEREAS, a proposal has been submitted for the re-establishment of a
12 multi-family improvement district pursuant to California Streets and Highways Code
13 Sections 36700 et seq. by certain property owners and businesses located within that
14 area of the City of Long Beach more particularly described in the Management Plan
15 attached as Exhibit "A" to this resolution (the "Andy Street Multi-family Improvement
16 District"); and

17 WHEREAS, the City Council of the City of Long Beach has received a
18 petition, signed and acknowledged, of property owners in the Andy Street Multi-family
19 Improvement District who will pay more than two-thirds of the assessments proposed to
20 be levied in said District, requesting that such district be formed;

21 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
22 follows:

23 Section 1. The City Council hereby declares its intention to re-establish a
24 multi-family improvement district under and pursuant to the Multi-family Improvement
25 District Law of 2004 (California Streets and Highways Code, Sections 36700, et seq.).

26 Section 2. The Management Plan prepared by a registered professional
27 engineer certified by the State for said District, which is attached as Exhibit "A" hereto, is
28 hereby approved.

1 Section 3. Notice is hereby given that a public hearing will be held
2 concerning this matter on January 8, 2013, at the hour of 5:00 p.m., in the Council
3 Chambers of the City of Long Beach to consider the establishment of the Andy Street
4 Multi-family Improvement District as herein proposed and described and to hear any and
5 all protests thereto.

6 Section 4. The Department of Development Services is hereby directed
7 to mail notices to the record owners of parcels within the district, which notices shall
8 contain a copy of this Resolution of Intention, the time and date of the public hearing, the
9 proposed assessment, the total amount thereof charged to the whole district, the amount
10 chargeable to the owner's parcel, the duration of the payments, the reason for the
11 assessment and the basis for the calculation thereof. A ballot shall be included with said
12 notice, which shall permit the parcel owner to indicate his or her name, identification of
13 the parcel and support or opposition to the assessment. The Department of
14 Development Services is hereby directed to mail notices under California Streets and
15 Highways Code Section 36714 to businesses within the district.

16 Section 5. At the public hearing, the results of the election described in
17 Section 4 above shall be announced.

18 Section 6. The City Council hereby appoints the Andy Street Community
19 Association as the "Owners' Association" for the District, as that term is defined in Streets
20 and Highways Code Section 36705.

21 Section 7. This resolution shall take effect immediately upon its adoption
22 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2012 by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

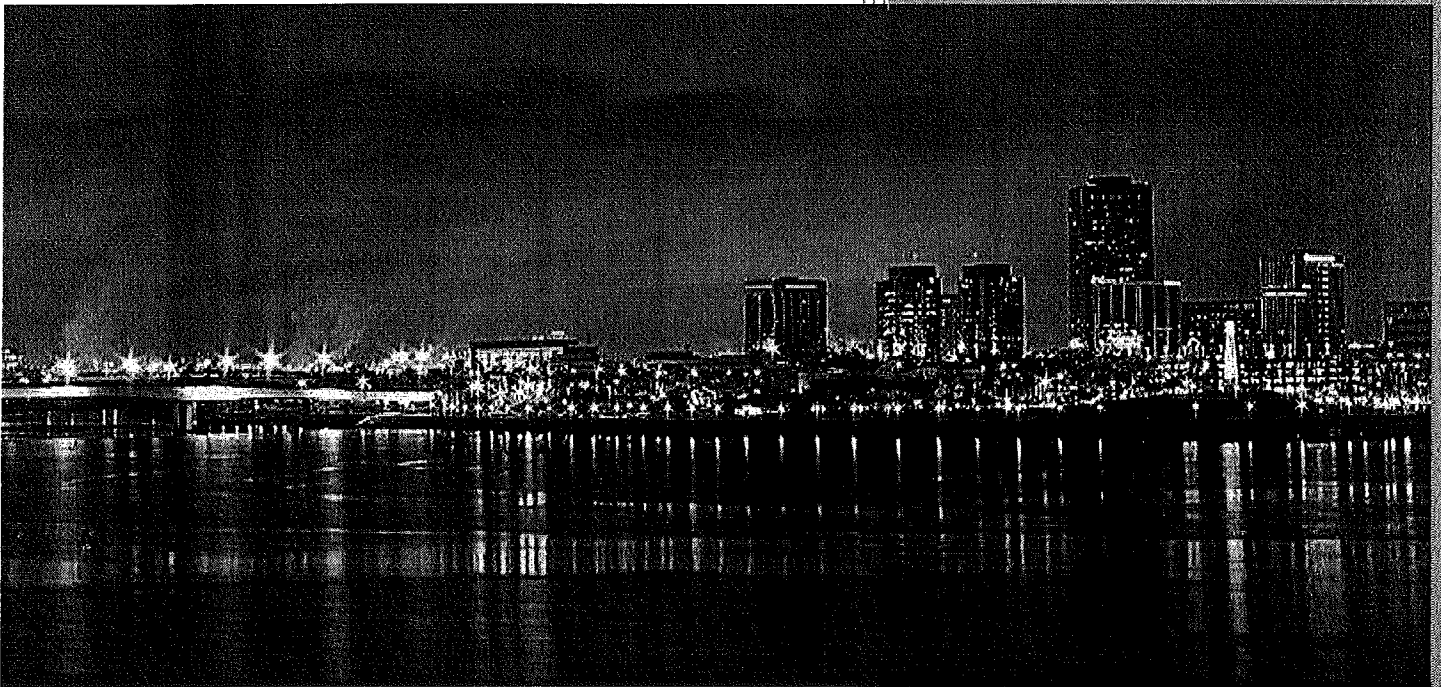
Absent: Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

**2013 -
2022**

DRAFT Management District Plan



**Andy Street Multi-Family
Improvement District**

August 30, 2012

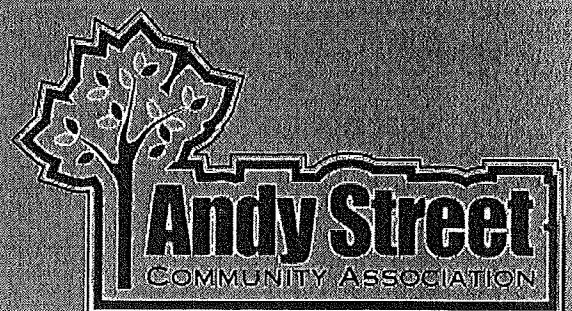


EXHIBIT A

DRAFT
ANDY STREET MID
MANAGEMENT DISTRICT PLAN

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Prepared by



www.civitasadvisors.com
(800)999-7781

Developed by a coalition of property and business owners, the Andy Street Multi-Family Improvement District (AMID) is a benefit assessment district whose goal is to improve the Andy Street area. The District was formed under the Multi-Family Improvement District Law of 2004, Streets and Highways Code §36700 et seq. The District was created in 2007 for a five-year term; this Plan proposes to renew the District and provide services for an additional ten years.

Location: The AMID includes a 36-acre area of Long Beach along Andy Street. The District includes parcels and businesses bounded in the south by South Street, in the east by Downey Avenue, in the north by 59th Street, and in the west by Obispo Avenue. See the map in Section III for more detail.

Services: Clean and safe efforts including programs to increase safety, beautification, and related administration to benefit District property and business owners.

Budget: The AMID annual budget for the initial year of its ten-year operation is anticipated to be \$106,473.22. The budget may be subject to an annual assessment rate increase of up to four percent (4%) per year.

Cost: The District includes both parcels and businesses. The annual assessment rate for parcels is based on parcel square footage and parcel use. The annual assessment rate for businesses is based on business type and number of employees. Annual assessments rates for the initial year are:

Parcel Type	Annual Assessment Rate (Initial Year)
Parcels with Multi-Family Residential Uses	\$0.6600 per parcel square foot
Parcels with Commercial Uses	\$0.0162 per parcel square foot
Parcels with Storage Uses	\$0.0126 per parcel square foot
Parcels Owned/Utilized by Non-Profit Entities	Not Assessed

Business Type	Annual Assessment Rate (Initial Year)		
	1-5 Employees	6-10 Employees	10+ Employees
Bar/Alcohol Restaurant	\$ 345.00	\$ 370.00	\$ 420.00
Financial / Insurance	\$ 250.00	\$ 270.00	\$ 320.00
Miscellaneous	\$ 160.00	\$ 175.00	\$ 195.00
Non-Profit	\$ 140.00	\$ 140.00	\$ 140.00
Professional	\$ 250.00	\$ 270.00	\$ 320.00
Retail	\$ 195.00	\$ 220.00	\$ 270.00
Restaurant	\$ 245.00	\$ 270.00	\$ 320.00
Service	\$ 160.00	\$ 185.00	\$ 220.00
Secondary License	\$ 95.00	\$ 100.00	\$ 105.00

Assessment rates may be subject to an increase of no more than four percent (4%) per year. Bonds will not be issued as part of this AMID.

Formation: AMID renewal requires submittal of petitions from property and business owners representing at least two-thirds (2/3) of the total assessment, followed by City Council hearings and an owner ballot and protest process.

Duration: The renewed AMID will have a ten-year life, beginning January 1, 2013 and ending December 31, 2022. After ten years, the petition process, ballot process, and City Council hearing process must be repeated for the AMID to be re-established.

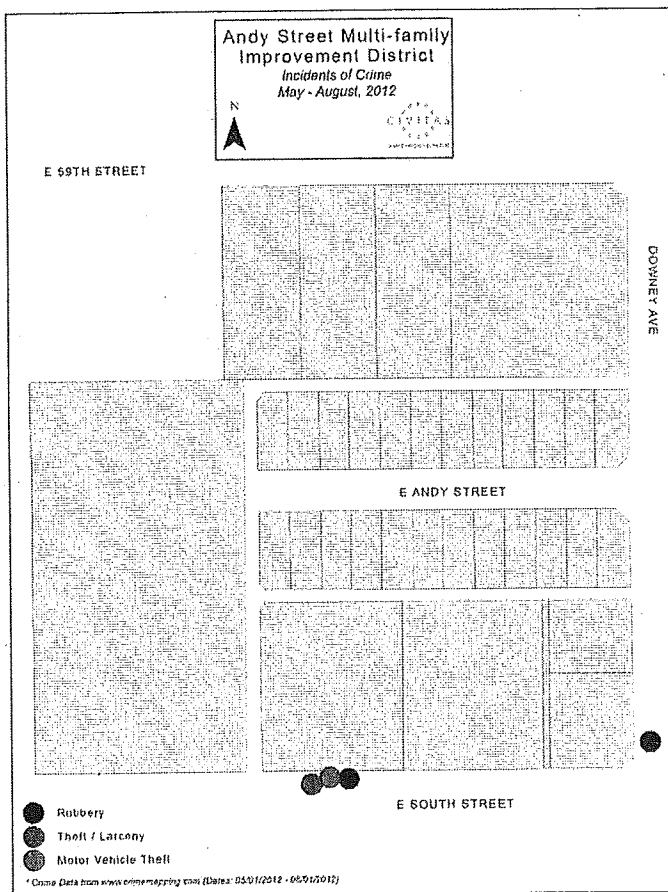
Name: The name of the District will be “Andy Street Multi-Family Improvement District.”

Governance: The District funds will be managed, and programs implemented by, the Andy Street Community Association. The Association will serve as the District’s Owners’ Association.

DRAFT

The Andy Street MID was created in 2007 to address issues of major and minor crime, particularly graffiti, illegal dumping, prostitution, and vandalism. At the time, the area was experiencing a significant amount of major crimes, including murder, manslaughter, rape, and assault. The police department received an average of between 50 and 60 calls for service every month, and would only enter the area with backup on hand. Residents and property owners seeking a change worked with the City to create the MID. Because these issues affected property and business owners alike, the District was among the first in the state to include both property and businesses.

Over the past five years, the District funds have been used to reduce crime, improve safety, and improve the economic vitality of the District. The Andy Street Community Association has carefully managed the District funds and programs. Although the previous Plan allowed for an increase to the assessment rate each year, and despite increases to the cost of living, the assessment rate was only increased once in five years. In most years, the Association's careful budget management led to a surplus amount being carried over to fund additional services in the next year.



The District's security programs have been highly successful in improving the Andy Street area. Calls for service to the police department have been reduced approximately 80 percent: in May 2012 there were 16 calls, June also had 16 calls, and July had 12. Notably, the incidence of major violent crimes has been nearly eliminated. The map below shows incidents between May and August 2012.

The renewed District will continue providing clean and safe programs to benefit Andy Street property and business owners. The District's security patrols and clean-up services have been instrumental in improving the area over the past five years.

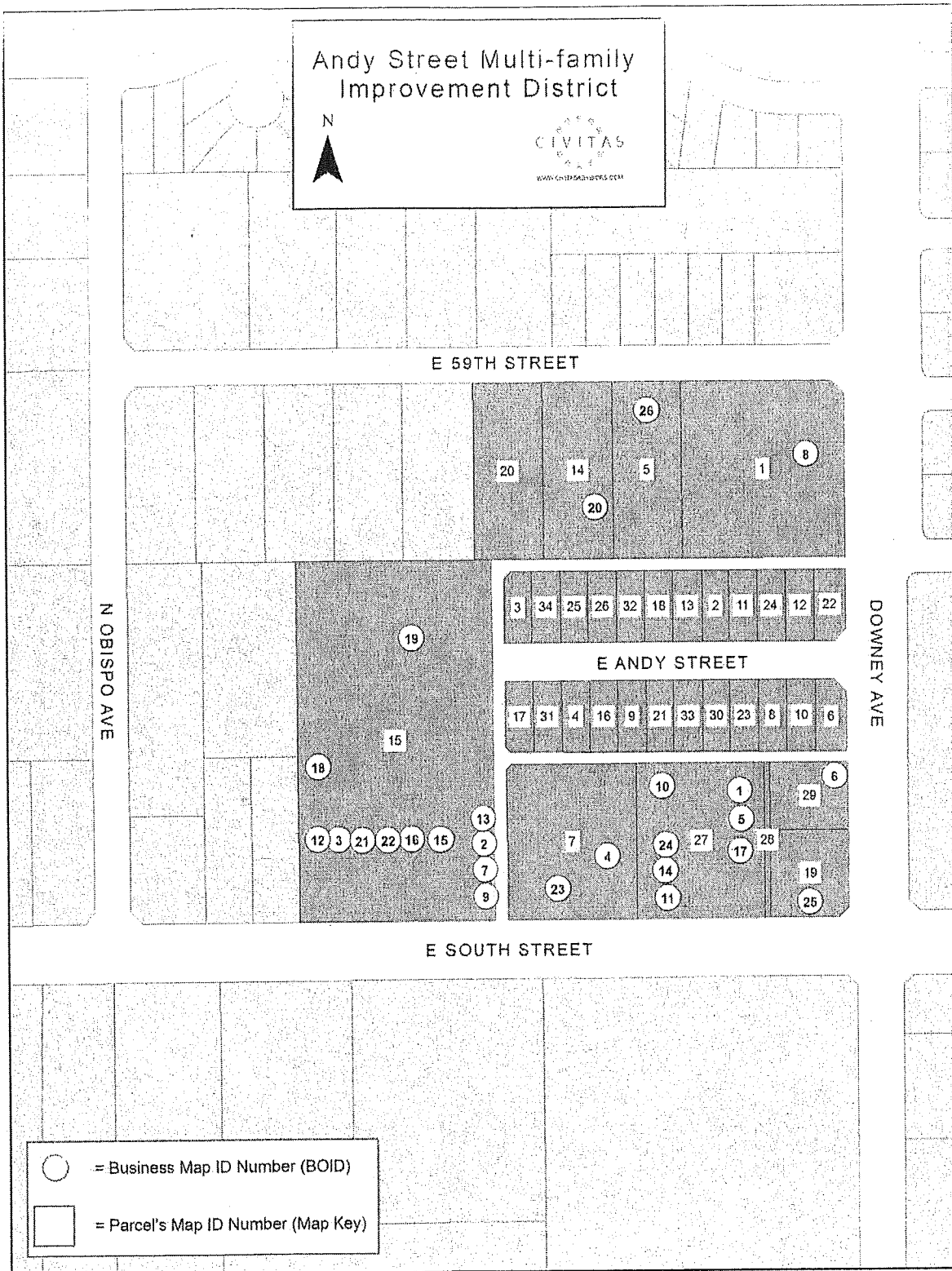


The AMID will deliver services to a 36-acre area of Long Beach along Andy Street. The District includes parcels and businesses bounded in the south by South Street, in the east by Downey Avenue, in the north by 59th Street, and in the west by Obispo Avenue.

Specifically, the District boundary is as follows:

Beginning at the southwest corner of Assessor's Parcel Number (APN) 712-1009-042 (Map Key 15), north along the western boundary and east along the northern boundary of said parcel to the southwest corner of APN 712-1008-005 (Map Key 20). North along the western boundary of said parcel to 59th Street. East along the south edge of 59th Street to Downey Avenue. South along the west edge of Downey Avenue, across Andy Street, to South Street. West along the north edge of South Street to the southwest corner of APN 712-1009-042 (Map Key 15), the point of beginning.

The service area includes approximately 34 properties and 26 businesses (holding 33 business licenses). The AMID boundary is illustrated by the map on the following page. Parcels are identified by the Map Key numbers found in Appendix 2. Businesses are identified by the BOID numbers found in Appendix 3. A larger map is available on request by calling (916)325-0604 or (800)999-7781.



A. **Services**

The AMID will provides services which specially benefit parcels and provide a specific benefit to businesses within its boundaries. The services provided are targeted specifically to assessees. Services will not be provided outside the District boundaries.

1. Clean and Safe

The primary purpose of establishing the AMID was to provide enhanced security in the area. Since District establishment, property and business owners have benefitted from an increased level of security provided by private patrols and property and business owner training and involvement programs. These services are supplemental to and complement the efforts of the Long Beach Police Department (LBPD).

A private security company will be hired to provide services to the District. Patrols will make rounds to properties and businesses on a regular basis, and work with the LBPD to prevent and respond to criminal activity, such as illegal trespassing, incidents of graffiti, loitering, public nuisance, illegal dumping and similar activity negatively impacting assessed properties and businesses. The patrols will not respond to criminal activity, but rather will act as observation units that alert the LBPD when responses are necessary. Patrols may be vehicular or on foot; regardless of the form they will be clearly identifiable as private security. Patrol routes and schedules will be established and modified as the District's needs change, but will only be provided to assessed parcels and businesses.

Beautification efforts will be intended to create an attractive, pleasant environment which will increase commercial activity for the benefit of property and business owners. Beautification efforts will include cleaning and landscaping. Cleaning services will be provided as needed to address illegal dumping, graffiti, litter, dirty sidewalks and gutters, and similar conditions throughout the District. Landscaping will also be provided as needed, and include watering, trimming, weed abatement, and similar services.

2. Administration

The AMID will facilitate a strong and organized voice to represent the property and business owners in the District. Administration, with guidance from the Board of Directors, will provide for the day-to-day operations of the District programs. The administration budget will include administrative staff costs, insurance, legal and accounting costs, dues, office expenses (postage, copying, phone, etc.), and operational expenses such as assessment roll updates.

3. Contingency Reserve

The budget includes a prudent fiscal reserve. Changes in data and other issues may change the revenue and expenses. In order to buffer the organization for unexpected changes in revenue, and/or allow the AMID to fund other overhead or renewal costs, the reserve is included as a budget item. At the end of the District's ten-year term, if owners wish to renew and there are contingency funds remaining, those funds may be used for the renewal effort.

1. Summary

The annual budget for the initial year of operation is expected to be \$106,473.22

2. Maximum Annual Budget

To account for increased costs in providing services, assessment rates may be subject to an increase of no more than four percent (4%) per year. The maximum budget will fluctuate as businesses open and close within the District; new businesses opening during the term of the District will be assessed. The annual maximum budget over the District's ten-year term shall not exceed:

Year	Maximum Budget
2013	\$110,000.00
2014	\$ 115,000.00
2015	\$ 120,000.00
2016	\$ 125,000.00
2017	\$ 130,000.00
2018	\$ 135,000.00
2019	\$ 140,000.00
2020	\$ 145,000.00
2021	\$ 150,000.00
2022	\$ 155,000.00

3. Annual Service Budget

Although the annual total budget will fluctuate, the annual budget will be allocated to the various services in the percent proportions below.

Category	%	Budget (Initial Year)
Clean & Safe	77.5%	\$82,516.75
Administration	20.0%	\$21,294.64
Contingency	2.5%	\$2,661.83
Total	100.0%	\$106,473.22

4. Surplus

Funds not spent in any year may be carried over to the next year and spent on security, beautification and administrative services in accordance with the provisions of this Plan, or added to the contingency reserve.

5. Allocation Adjustments

Although revenues may fluctuate from year to year, the proportional allocation of revenues shall remain consistent, except that funds can be reallocated between services by up to fifteen percent of the total budget (15%) each year.

6. Ten-Year Budget

Assuming that the annual maximum four percent increase is implemented, there is no adjustment to categorical allocations per section 4 above, and that the number of businesses remains the same, the annual budget for each year of operation is shown below. The actual budget will fluctuate as businesses open and close within the District.

Year	Clean & Safe	Administration	Contingency	Total
%	77.5%	20.0%	2.5%	100.0%
2013	\$ 82,516.75	\$ 21,294.64	\$ 2,661.83	\$ 106,473.22
2014	\$ 85,817.42	\$ 22,146.43	\$ 2,768.30	\$ 110,732.15
2015	\$ 89,250.11	\$ 23,032.29	\$ 2,879.04	\$ 115,161.44
2016	\$ 92,820.12	\$ 23,953.58	\$ 2,994.20	\$ 119,767.90
2017	\$ 96,532.92	\$ 24,911.72	\$ 3,113.97	\$ 124,558.61
2018	\$ 100,394.24	\$ 25,908.19	\$ 3,238.52	\$ 129,540.95
2019	\$ 104,410.01	\$ 26,944.52	\$ 3,368.06	\$ 134,722.59
2020	\$ 108,586.41	\$ 28,022.30	\$ 3,502.79	\$ 140,111.50
2021	\$ 112,929.86	\$ 29,143.19	\$ 3,642.90	\$ 145,715.95
2022	\$ 117,447.06	\$ 30,308.92	\$ 3,788.61	\$ 151,544.59

GOVERNANCE

A. Owners' Association

The District shall be governed by the Andy Street Community Association. The Andy Street Community Association shall serve as the Owners' Association described in Streets and Highways code section 36742. The Board of Directors of the Andy Street Community Association and its staff are charged with the day-to-day operations of the AMID.

The Board of Directors of Andy Street Community Association must be comprised of a majority of parcel and business owners paying the assessment. In addition, the Board of Directors must represent a variety of interests within the AMID and respond to the needs of property and business owners within the AMID.

The Board of Directors shall act in the best interests of all of the properties and businesses within the AMID. The diverse representation described above ensures that the interests of all of the properties and business in the AMID shall be fairly represented.

B. Brown Act and Public Records Act Compliance

The Andy Street Community Association is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Andy Street Community Association board must be held in compliance with the public notice and other requirements of the Brown Act. Records must also be kept in compliance with the California Public Records Act, Government Code §6250 et seq.

C. Annual Report

The Andy Street Community Association shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36741 (see Appendix 1).



ENGINEER'S REPORT

A. Assessment Methodology

1. Base Formula

Property and business owners have emphasized that an assessment formula for the AMID be fair, balanced, and commensurate with benefits received. The annual assessment rate for parcels is based on parcel square footage and type. The annual assessment rate for businesses is based on business type and number of employees. The initial year's annual assessments rates are:

Parcel Type	Annual Assessment Rate (Initial Year)
Parcels with Multi-Family Residential Uses	\$0.6600 per parcel square foot
Parcels with Commercial Uses	\$0.0162 per parcel square foot
Parcels with Storage Uses	\$0.0126 per parcel square foot
Parcels Owned/Utilized by Non-Profit Entities	Not Assessed

Business Type	1-5 Employees	6-10 Employees	10+ Employees
Professional	\$ 250.00	\$ 270.00	\$ 320.00
Financial / Insurance	\$ 250.00	\$ 270.00	\$ 320.00
Retail	\$ 195.00	\$ 220.00	\$ 270.00
Bar/Alcohol Restaurant	\$ 345.00	\$ 370.00	\$ 420.00
Non-Alcohol Restaurant	\$ 245.00	\$ 270.00	\$ 320.00
Service	\$ 160.00	\$ 185.00	\$ 220.00
Non-Profit	\$ 140.00	\$ 140.00	\$ 140.00
Miscellaneous	\$ 160.00	\$ 175.00	\$ 195.00
Secondary License	\$ 95.00	\$ 100.00	\$ 105.00

A list of parcels assessed and the initial assessment rates is included in Appendix 2. A list of businesses assessed and the initial assessment rates is included in Appendix 3. Assessment rates may be subject to an increase of no more than four percent (4%) per year. If you would like more information about assessments, please call Civitas at (916)325-0604 or (800)999-7781.

2. Multi-Family Residential Parcels

The services provided by the AMID are designed to benefit commercial and multi-family residential parcels. Multi-family residential parcels will receive, and benefit from, the District's security, beautification, and administrative services. These parcels will be assessed commensurate with the benefit they receive. Multi-family parcels will be assessed an initial rate of \$0.6600 per parcel square foot per year.

3. Commercial Parcels

The services provided by the AMID are designed to benefit commercial and multi-family residential parcels. Commercial parcels will receive, and benefit from, the District's security, beautification, and administrative services. These parcels will be assessed commensurate with the benefit they receive. Commercial parcels will be assessed an initial rate of \$0.0162 per parcel square foot per year.

4. Storage Parcels

Parcels owned and occupied by storage facilities do not receive the same benefits as other commercial parcels. These parcels have only a small amount of pedestrian and consumer traffic and thus a reduced need for services. Storage parcels will be assessed an initial rate of \$0.0126 per parcel square foot per year.

5. Businesses

Businesses holding a business license within the District will be assessed. The business assessment is an annual dollar amount, based on the business type and number of employees, as indicated on each business license obtained. Home-based businesses will not be assessed. New businesses opening during the term of the District will be assessed.

6. Non-Profit Entities

Parcels owned and utilized by non-profit entities will not be subject to the parcel assessment. Non-profit organizations with a business license within the District will, however, pay the applicable business assessment.

7. Bonds

Bonds will not be issued as part of this AMID.

B. Special Benefit

The assessment will be imposed in accordance with the provisions of Article XIII D of the California Constitution. The special benefit to parcels and businesses from the AMID exceeds the total amount of the assessment.

Assessment law provides that the expenses of the AMID shall be apportioned in proportion to the benefit received by each parcel and business. In addition, the law requires that the assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel or business. The law provides that only special benefits are assessable, and requires the City to separate the general benefits from the special benefits conferred on a parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the AMID. The general enhancement of property value does not constitute a special benefit.

Each and every parcel and business assessed within the AMID receives a particular and distinct benefit from the improvements and activities of the AMID, over and above general benefits conferred by the general activities of the City. The proposed security and beautification programs will improve commercial activity within the AMID, thereby benefiting all parcels and businesses within the AMID. And the services themselves constitute a special benefit to the assessees. Services will only be provided within the District to assessed parcels and businesses, they will not be provided outside the District to those not charged.

It is acknowledged that there may be a general benefit created as a result of the District's programs. Although they are narrowly designed and carefully implemented to benefit the assessed property and business owners, the programs may generate a benefit to the public at large within the District. Based on calls for security services, it is estimated that 10% of the services provided are to the general public. Therefore, it is estimated that 10% of the benefit created with assessment funds is general and will be paid for with funds not obtained through parcel and business assessments.

The program provides with 2011 funding the needed resources that funding in the form of grants, corporate sponsorships, and other miscellaneous funds. These funding sources provide approximately \$15,000 annually. This outside funding more than pays for the amount of general benefit created by District programs.

C. Time and Manner for Collecting Assessments

1. Parcels

The AMID assessment will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. The County of Los Angeles shall distribute funds collected to the City of Long Beach and then to the AMID pursuant to the authorization of this Plan. Existing laws for enforcement and appeal of property taxes apply to the AMID assessments.

2. Businesses

The assessment on businesses will be collected by the City of Long Beach on the annual business license. Existing laws for enforcement and appeal of business licenses apply to the AMID assessment.

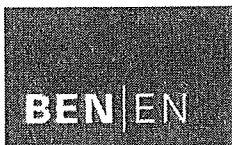
3. Assessment Notice

An assessment notice will be sent to owners of each parcel and business in the AMID. The assessment notice provides an estimated assessment based upon the parcel's size and use or the businesses type and number of employees, as applicable. A list of parcels to be included in the AMID is provided within Appendix 2, and a list of businesses to be included in the AMID is provided within Appendix 3.

Review of this AMID Management District Plan and preparation of this Engineer's Report for the Andy Street Multi-Family Improvement District was completed by:

Orin N. Bennett, PE
State of California
Registered Civil Engineer No. 25169

Date



TRUSTED ENGINEERING ADVISORS

Bennett Engineering Services
1032 Sunset Avenue, Suite 100
Roseville, California 95661

T 916.783.4190
F 916.785.4110
www.ben-en.com

STREETS AND HIGHWAYS CODE
Division 18. Parking
Part 8. Multifamily Improvement Districts
Chapter 1. General Provisions

§ 36700. Citation of part

This part shall be known and may be cited as the "Multifamily Improvement District Law."

§ 36701. Legislative findings and declarations

The Legislature finds and declares all of the following:

(a) Many businesses that operate multifamily residential properties and commercial properties within predominantly multifamily neighborhoods of California's communities are economically disadvantaged, are underutilized, and are unable to attract tenants because of inadequate facilities, services, and activities in those neighborhoods.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of the multifamily residential neighborhoods to create jobs, attract new businesses, and prevent the erosion of the multifamily residential neighborhoods.

(c) It is of particular local benefit to allow cities to fund business related improvements and activities through the levy of assessments upon the businesses or real property that benefit from those improvements.

(d) Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities that confer special benefits upon the real property or businesses for which the improvements and activities are provided.

§ 36702. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)) and the Property and Business Improvement District Law of 1994 (Part 7 (commencing with Section 36600)). This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36703. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36704. Preemption of authority of charter city to adopt ordinances levying assessments

(a) Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part.

(b) A multifamily improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

(c) Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.

(d) This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect.

(e) Assessments levied under this part are not special taxes.

(f) Consistent with Article XIII C of the California Constitution, no assessment shall be imposed under this part on any property which exceeds the reasonable cost of the proportional special benefit conferred on that property. Only special benefits are assessable, and a city shall separate the general benefits from the special benefits conferred on any property.

§ 36705. Definitions

As used in this part:

(a) "Activities" means, but is not limited to, all of the following:

(1) Providing security services supplemental to those normally provided by the city.

(2) Maintaining, including irrigating, landscaping.

(3) Providing sanitation, graffiti removal, street and sidewalk cleaning, and other public services supplemental to those normally provided by the city.

(4) Marketing, advertising, and promoting economic development, including the retention and recruitment of businesses and tenants.

(5) Providing managerial services for multifamily residential businesses.

(6) Providing building inspection and code enforcement services for multifamily residential businesses supplemental to those normally provided by the city.

(b) "Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the properties or businesses located within a multifamily improvement district.

(c) "Business" means all types of businesses, including, but not limited to, the operation of multifamily residential properties, retail stores, commercial properties, financial institutions, and professional offices.

(d) "City" means a city, county, city and county, or an agency or entity created pursuant to the Joint Exercise of Powers Act, Article 1 (commencing with *Section 6500*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*, the public member agencies of which includes only cities, counties, or a city and county.

The "city council" means the city council of a city or the board of supervisors of a county or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

(f) "Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more, including, but not limited to:

- (1) Parking facilities.
- (2) Benches, booths, kiosks, display cases, pedestrian shelters, signs, and entry monuments.
- (3) Trash receptacles.
- (4) Street lighting.
- (5) Street decorations.
- (6) Parks.
- (7) Fountains.
- (8) Planting areas.
- (9) Closing, opening, widening, or narrowing of existing streets.
- (10) Facilities or equipment, or both, to enhance the security of persons and property within the district.
- (11) Ramps, sidewalks, plazas, and pedestrian malls.
- (12) Rehabilitation or removal of existing structures.

(g) "Management district plan" or "plan" means a proposal as described in Section 36713.

(h) "Multifamily improvement district," or "district," means a multifamily improvement district established pursuant to this part.

(i) "Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose.

(j) "Property" means real property situated within a multifamily improvement district.

(k) "Property owner" or "owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. The city council has no obligation to obtain other information as to the ownership of land, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this subdivision requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient.

(l) "Tenant" means an occupant pursuant to a lease or a rental agreement of commercial space or a dwelling unit, other than an owner.

§ 36710. Establishment of multifamily improvement district

(a) A multifamily improvement district may be established pursuant to this chapter.

A city may not form a multi-family improvement district on or after January 1, 2021, unless a later statute which is enacted on or before January 1, 2021, deletes or extends that date.

§ 36711. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

§ 36712. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by either property owners paying more than two-thirds of the proposed assessment or by business owners paying more than two-thirds of the proposed assessment, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district.

(b) The petition of the property owners or the business owners required pursuant to subdivision (a) shall include all of the following:

- (1) A map showing the general boundaries of the proposed district.
- (2) A general description of the proposed activities and improvements to be carried out by the district.
- (3) A general description of how the proposed district will be financed, and whether bonds are proposed to be issued.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or on businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) Order the preparation of a management district plan by a registered professional engineer certified by the state.

§ 36713. Contents of management district plan

The management district plan shall contain all of the following:

(a) A map of the proposed district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district.

(b) The name of the proposed district.

(c) A description of the boundaries of the proposed district, including the boundaries of any benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and businesses included. Under no circumstances shall the boundaries of a proposed district overlap with the boundaries of another existing district created pursuant to this

part. Nothing in this part prohibits the boundaries of a district created pursuant to this part to overlap with other assessment districts.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district.

(f) The proposed source or sources of financing including the proposed method and basis of levying the assessment in sufficient detail to allow each property owner or each business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan shall also state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding those time limitations, a district that finances improvements with bonds may levy assessments until the maximum maturity of those bonds, not to exceed 20 years. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties or the businesses to be assessed, including the assessor's parcel numbers for any properties to be assessed, and a statement of the method or upon benefited real property or businesses, in proportion to the benefit received by the property or the business, to defray the cost thereof, including operation and maintenance. The plan may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.

(l) Any other item or matter required to be incorporated therein by the city council.

§ 36714. Compliance with notice, protest and hearing procedures

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedures shall comply with *Section 53753 of the Government Code*. Notwithstanding subdivision (e) of *Section 53753 of the Government Code*, the city may not establish the district or levy assessments if the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed one-third of the total assessment ballots submitted, and not withdrawn, weighting those assessment ballots by the amount of the proposed assessment to be imposed upon the identified parcel for which each assessment ballot was submitted.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with *Section 54954.6 of the Government Code*, except that notice shall be mailed to the owners of the businesses proposed to be assessed.

§ 36715. Modifications, revisions, reductions or changes to proposed assessment district

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements



and activities to be funded with the revenue from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed district that will exclude territory that will not benefit from the proposed improvements or activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36718.

§ 36716. Contents of resolution of formation

(a) If the city council, following the public hearing, decides to establish the proposed district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed one-third of the total assessment ballots submitted, and not withdrawn, weighting those assessment ballots by the amount of the proposed assessment to be imposed upon the identified parcel for which each assessment ballot was submitted.

(5) A statement that the properties or businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or the businesses within the area of the district will be benefited by the improvements and activities funded by the assessments proposed to be levied.

(b) The adoption of the resolution of formation and recordation of the notice and map pursuant to Section 36718 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

§ 36717. Resolution of formation; Changes; Preliminary resolution

If the city council, following the public hearing, desires to establish the proposed district, and the city council has not made changes pursuant to Section 36715, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in paragraphs (1) to (8), inclusive, of subdivision (a) of Section 36716, but need not contain information about the preliminary resolution if none has been adopted.

§ 36718. Notice and assessment diagram: Inapplicable provisions

Following the adoption of the resolution establishing the district pursuant to Section 36716 or 36717, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. If the assessment is levied on businesses, the text of the recorded notice shall be modified to reflect that the assessment will be levied on businesses, or specified categories of businesses, within the area of the district. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

§ 36719. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose different assessments within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose different assessments or rates of assessment on each category of business, or on each category of business within each zone.

§ 36720. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements and activities.

§ 36721. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a district.

§ 36722. Expiration of district; Creation of new district

If a district expires due to the time limit set pursuant to subdivision (h) of Section 36713, a new management district plan may be created and a new district established pursuant to this part.

§ 36730. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution establishing the management district plan described in Section 36713. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties.

§ 36731. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties used for single-family 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.

§ 36732. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36717. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

§ 36733. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a district has been formed.

§ 36734. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

§ 36735. Modification of plan by resolution after public hearing; Adoption of resolution of intention; Modification of improvements and activities by adoption of resolution after public hearing

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36714. Notice of all other public meetings public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public meeting.

(c) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public meeting, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

§ 36736. Reflection of modification in notices and maps recorded

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36718.

§ 36737. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36716, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with *Section 6584*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Improvement Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36716, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 20 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

§ 36740. Compliance with Ralph M. Brown Act and California Public Records Act

Notwithstanding any other provision of this part, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of *Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the district.

§ 36741. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the

improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

- (1) Any proposed changes in the boundaries of the district or in any benefit zones or classification of property or businesses within the district.
 - (2) The improvements and activities to be provided for that fiscal year.
 - (3) An estimate of the cost of providing the improvements and the activities for that fiscal year.
 - (4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.
 - (5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
 - (6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.
- (c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36734 and 36735.
- (d) The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

§ 36742. Designation of owners' association to provide improvements and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements or activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

§ 36743. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or the businesses in the prior district. If the renewed district does not include parcels or the businesses

included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

§ 36744. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been a misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners of real property or of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall give notice of the public hearing on the proposed disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the district. The notice of the hearing on the proposed disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

§ 36745. Refund of remaining revenues upon disestablishment of district; Use of outstanding revenue collected after disestablishment of district; Calculation of refund

(a) Upon the disestablishment of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

Map Key	Assessor's Parcel Number (APN)	Parcel Size (sqft)	Initial Annual Assessment Rate (\$/sqft/yr)	Initial Assessment	Parcel Type
1	7121008008	83,653.00	\$0.0000	\$0.00	1
2	7121009017	5,553.00	\$0.6600	\$3,664.98	2
3	7121009010	5,664.00	\$0.6600	\$3,738.24	2
4	7121009024	5,850.00	\$0.6600	\$3,861.00	2
5	7121008007	35,275.00	\$0.0162	\$571.46	4
6	7121009033	6,308.00	\$0.6600	\$4,163.28	2
7	7121009034	58,929.00	\$0.0162	\$954.65	4
8	7121009031	5,779.00	\$0.6600	\$3,814.14	2
9	7121009026	6,094.00	\$0.6600	\$4,022.04	2
10	7121009032	6,168.00	\$0.6600	\$4,070.88	2
11	7121009018	5,956.00	\$0.6600	\$3,930.96	2
12	7121009020	5,923.00	\$0.6600	\$3,909.18	2
13	7121009016	6,009.00	\$0.6600	\$3,965.94	2
14	7121008006	36,176.00	\$0.0162	\$586.05	4
15	7121009042	205,931.00	\$0.0126	\$2,594.73	3
16	7121009025	5,895.00	\$0.6600	\$3,890.70	2
17	7121009022	5,802.00	\$0.6600	\$3,829.32	2
18	7121009015	5,826.00	\$0.6600	\$3,845.16	2
19	7121009037	19,576.00	\$0.0162	\$317.13	4
20	7121008005	36,173.00	\$0.0162	\$586.00	4
21	7121009027	5,643.00	\$0.6600	\$3,724.38	2
22	7121009021	6,381.00	\$0.6600	\$4,211.46	2
23	7121009030	6,104.00	\$0.6600	\$4,028.64	2
24	7121009019	5,800.00	\$0.6600	\$3,828.00	2
25	7121009012	5,733.00	\$0.6600	\$3,783.78	2
26	7121009013	5,965.00	\$0.6600	\$3,936.90	2
27	7121009035	57,639.00	\$0.0162	\$933.75	4
28	7121009036	2,631.00	\$0.0162	\$42.62	4
29	7121009038	15,309.00	\$0.0162	\$248.01	4
30	7121009029	5,794.00	\$0.6600	\$3,824.04	2
31	7121009023	5,931.00	\$0.6600	\$3,914.46	2
32	7121009014	5,799.00	\$0.6600	\$3,827.34	2
33	7121009028	6,020.00	\$0.6600	\$3,973.20	2
34	7121009045	5,880.00	\$0.6600	\$3,880.80	2
	TOTAL	693,169.00		\$100,473.22	

*	Parcel Type
1	Parcels with Nonprofit Uses
2	Parcels with Multi-Family Residential Uses
3	Parcels with Storage Uses
4	Parcels with Commercial Uses

APPENDIX 3 - ASSESSED BUSINESSES

BOID	Business Name	Address	Business Type*	Initial Assessment (\$/yr)
1	A & V PAWN SHOP	3323 SOUTH ST	R1	\$195.00
2	ABLE INC	3255 SOUTH ST K202	S2	\$185.00
3	AFFORDABLE DME AND MEDICAL SUPPLIES INC	3253 SOUTH ST J103	R1	\$195.00
4	AMVETS DEPT OF CA SRV FOUNDATION	3315 E SOUTH ST	NP1	\$140.00
5	AUTHENTIC HAIR & BARBER	3325 SOUTH ST	Sec1	\$95.00
5	AUTHENTIC HAIR & BARBERING SALON	3325 SOUTH ST	Sec1	\$95.00
5	AUTHENTIC HAIR & BARBERING SALON	3325 SOUTH ST	S1	\$160.00
5	AUTHENTIC HAIR SALON	3325 SOUTH ST	Sec1	\$95.00
6	BOY'S HAMBURGERS #8	5815 DOWNEY AVE	A1	\$345.00
7	BUDMAN, DAVID	3255 SOUTH ST K204	S1	\$160.00
8	COMMUNITY GRACE BROTHERS CHURCH	5885 DOWNEY AVE	NP1	\$140.00
9	COMPLETE BUSINESS SOLUTIONS	3255 SOUTH ST K205	S1	\$160.00
10	COWBOY COUNTRY	3321 SOUTH ST	Sec1	\$95.00
10	COWBOY COUNTRY	3321 SOUTH ST	A3	\$420.00
10	COWBOY COUNTRY	3321 SOUTH ST	Sec1	\$95.00
11	ELBY'S LIQUOR	3337 SOUTH ST	R1	\$195.00
12	HOUSE OF FUNDUE RESTAURANT	3253 SOUTH ST J101	A1	\$345.00
13	KHA, CHAU MINH	3253 SOUTH ST J106	Sec1	\$95.00
14	L R STATUARY	3333 SOUTH ST	R1	\$195.00
15	LINK STAFFING SERVICES	3255 SOUTH ST K205	S1	\$160.00
16	LOVELY NAILS	3253 SOUTH ST J106	S1	\$160.00
16	LOVELY NAILS	3253 SOUTH ST	S1	\$160.00
17	MABRY, MONIQUE	3325 SOUTH ST	Sec1	\$95.00
18	P S ORANGECO INC	3207 SOUTH ST	R1	\$195.00
19	PUBLIC STORAGE INC	3207 SOUTH ST	S1	\$160.00
20	R S G INC	3300 E 59TH ST	M3	\$195.00
21	SANTO NINO FAMILY DENTISTRY	3253 SOUTH ST J104	P1	\$250.00
22	SIZZLING WOK	3253 SOUTH ST J105	A1	\$345.00
23	SOUTH STREET THRIFT CENTER INC	3315 SOUTH ST	R1	\$195.00
24	UBUYWERUSH	3329 SOUTH ST	R1	\$195.00
25	UNITED OIL #73	3495 SOUTH ST	R1	\$195.00
25	UNITED OIL 73	3495 SOUTH ST	Sec1	\$95.00
26	WESTERN INTEGRATED MATERIALS INC	3310 E 59TH ST	M3	\$195.00
	TOTAL			\$6,000.00

Business Types

Business Type	Description
A1	Bar / Alcohol Restaurant (1-5 Employees)
A2	Bar / Alcohol Restaurant (6-10 Employees)
A3	Bar / Alcohol Restaurant (10+ Employees)
F1	Financial / Insurance (1-5 Employees)
F2	Financial / Insurance (6-10 Employees)
F3	Financial / Insurance (10+ Employees)
M1	Miscellaneous (1-5 Employees)
M2	Miscellaneous (6-10 Employees)
M3	Miscellaneous (10+ Employees)
NP1	Non-Profit (1-5 Employees)
NP2	Non-Profit (6-10 Employees)
NP3	Non-Profit (10+ Employees)
P1	Professional (1-5 Employees)
P2	Professional (6-10 Employees)
P3	Professional (10+ Employees)
R1	Retail (1-5 Employees)
R2	Retail (6-10 Employees)
R3	Retail (10+ Employees)
Rest1	Restaurant (1-5 Employees)
Rest2	Restaurant (6-10 Employees)
Rest3	Restaurant (10+ Employees)
S1	Service (1-5 Employees)
S2	Service (6-10 Employees)
S3	Service (10+ Employees)
Sec1	Secondary License (1-5 Employees)
Sec2	Secondary License (6-10 Employees)
Sec3	Secondary License (10+ Employees)