

MAGNOLIA PARK PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

MANAGEMENT DISTRICT PLAN

Submitted to the

City of Burbank

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By

Downtown Resources

MAGNOLIA PARK MANAGEMENT DISTRICT PLAN

TABLE OF CONTENTS

I.	Introduction and Overview	. 1
II.	Why a Property and Business Improvement District for Magnolia Park?	. 2
III.	What Is a Property and Business Improvement District?	. 3
IV.	History of Magnolia Park and The PBID	. 4
V.	Property and Business Improvement District Boundaries	. 5
VI.	Service Plan and Budget	. 7
VII.	Engineer's Report	11
VIII.	Continuation of City Services	14
IX.	Property and Business Improvement District Governance	15
Appendix	1 – The Property and Business Improvement District Law of 1994	16
Appendix	2 – Properties within the proposed Magnolia Park PBID	25
Appendix	3 – Draft Base Level of Services Resolution for the City of Burbank	27

I. INTRODUCTION AND OVERVIEW

The proposed Magnolia Park Property and Business Improvement District (PBID) will establish various programs to increase the commercial activity in Magnolia Park. Property and business owners have worked together to form this proposed Plan. This approach has been used successfully in other commercial areas throughout the country to increase sales, attract new tenants, increase occupancies, and increase property values.

Location:

The District includes commercial properties along Magnolia Blvd. and Hollywood way, bound by Chandler Blvd. to the north, Clark Ave. to the south, the City limits to the west, and Buena Vista to the east. A description of boundaries and map begins on page 6.

Services:

A parking improvement program with a goal to create or make available at least 150 new or newly managed spaces in Magnolia Park; maintenance services to clean debris from street trees and increase the frequency of litter removal along with a tree replacement program; promotions, marketing, events, and business recruitment; and advocacy to promote business interests and allow the business community to speak with one voice.

Budget:

Total maximum District budget for each year of its five (5) year operation is a base of approximately \$250,000 per year with a maximum 3% increase per year.

Cost:

The cost to the property owners in Zone 1 is \$0.12 per lot square foot per year plus \$0.05 per building square foot per year. Because of fewer services and reduced benefit, the cost to owners in Zone 2 is \$0.06 per lot square foot per year plus \$0.025 per building square foot per year. Because of the commercial nature of the improvement programs, residential and tax-exempt properties are not assessed.

Formation:

District formation requires submittal of petitions from property owners representing at least 50% of the total assessment. The "Right to Vote on Taxes Act" (also known as Proposition 218) requires a ballot vote in which more than 50% of the ballots received, weighted by assessment, be in support of the District.

Duration:

The proposed District will have a five-year life. After five (5) years, the petition process, ballot process, and City Council hearing process must be repeated for the District to be reestablished.

II. WHY A PROPERTY AND BUSINESS IMPROVEMENT DISTRICT FOR MAGNOLIA PARK?

There are several reasons why now is the time to form a Property and Business Improvement District in Magnolia Park:

1. The Need to be Proactive in Determining the Future of Magnolia Park.

In order to protect their investment, property owners must be partners in the process that determines how new development projects are implemented. Currently, property owners react to proposals individually without focus or coordination. Property owners in cities such as Pasadena, Los Angeles, Portland and Phoenix have been successful at leading and shaping future commercial developments through their strong business improvement districts.

A district in Magnolia Park will provide a professional administrator with the financial resources to ensure the challenges faced by Magnolia Park businesses and property owners will be proactively addressed.

2. The Need to Improve Parking in Magnolia Park.

Property and business owners understand that they can do better with a better mix of parking throughout the District. This Plan will give them the opportunity to pursue initiatives to better manage the existing parking and with other supplemental funding, create additional spaces.

3. An Opportunity to Create a Private/Public Partnership with a Unified Voice for Magnolia Park.

Because property owners would be investing new private money through the Property and Business Improvement District, they will be looked upon as a strong partner in negotiations with the City. This partnership will have the ability to leverage the property owner's investment with additional public investment in Magnolia Park. Both property and business owners could be united under the Property and Business Improvement District umbrella, which would then be able to approach the public sector with a viable and unified private sector voice.

4. An Opportunity to Establish Private Sector Management and Accountability.

A non-profit private sector business organization formed for the sole purpose of improving Magnolia Park would manage these new services and the District. Annual Property and Business Improvement District work plans and budgets will be developed by a board composed of stakeholders that own businesses and property in the Magnolia Park area. New marketing and promotion services will be subject to private sector performance standards, controls, and accountability.

III. WHAT IS A PROPERTY AND BUSINESS IMPROVEMENT DISTRICT?

The International Downtown Association estimates that more than 1,200 downtown Property and Business Improvement Districts currently operate throughout the United States and Canada.

A Property and Business Improvement District may provide services, identity formulation, market research, and economic development in addition to those provided by local government. Property and Business Improvement Districts may also provide physical improvements such as entry features, benches, or lighting. These services are concentrated within a distinct geographic area and are paid for by means of a special property owner assessment. A Board of Directors representing those who pay would govern the organization responsible for providing these services.

Property and Business Improvement Districts are proven to work by providing services that improve the overall viability of commercial districts, resulting in higher property values and sales volumes.

The Magnolia Park Property and Business Improvement District will be formed pursuant to a State Law that took effect in January of 1995. The "Property and Business Improvement District Law of 1994," which was signed into law by Governor Pete Wilson, ushered in a new generation of Property and Business Improvement Districts in California by allowing a greater range of services and independence from government. Key provisions of the law include:

- Allows Property and Business Improvement Districts to undertake services ranging from security to maintenance, and from business advocacy to economic development.
- A Property and Business Improvement District **designed and governed by those who will pay** the assessment.
- Requires petition support from private property owners paying at least 50% of proposed private property assessments to form a Property and Business Improvement District.
- Allows for the formation of a property owner advisory board to provide oversight of district operations and submit a yearly service plan.
- Requires limits for assessments to ensure that they do not exceed pre-established levels.
- Provides a multi-year life for Property and Business Improvement Districts and requires a new petition process to renew a district. The Magnolia Park Property and Business Improvement District will have a five (5) year term.

The "Property and Business Improvement Business District Law of 1994" is provided in Appendix 1 of this document.

IV. HISTORY OF MAGNOLIA PARK AND THE PBID

A. Initial Stakeholder Meetings and Formation of the Steering Committee

Magnolia Park property and business owners have begun the process to develop an organizational structure and financing to address the above challenges. Part of this endeavor is a coordinated effort to distinguish Magnolia Park as a desirable commercial area in the Los Angeles region. This Property and Business Improvement District Plan, and the creation of a unified organization with a secure funding mechanism, provides another critical step in achieving the vision developed by the property and business owners.

In 2004, the City of Burbank determined that the formation of a PBID would enhance the economic development of the Magnolia Park commercial area. To this end, the City contracted with Downtown Resources to hold property owner meetings to determine the property owners' concerns and interests. The meetings in 2005 explained a PBID to local businesses and landowners in Magnolia Park.

Downtown Resources held several individual and Steering Committee meetings to organize and develop a private-sector organization. The goal of the meeting was to focus the PBID creation effort and develop a draft Property and Business Improvement District Plan for a PBID. The Steering Committee identified several needs for Magnolia Park and established a strategy for forming a Property and Business Improvement District in Magnolia Park. This Property and Business Improvement District Plan is the result of those Steering Committee meetings.

B. Meetings with Property Owners, Business Owners & Other Stakeholders

In 2005, the City of Burbank hosted workshops with property owners, business owners, and other stakeholders. The attendees represented both large and small properties and businesses in Magnolia Park. The purpose of these meetings was to (1) present information on Property and Business Improvement Districts, and (2) to elicit property and business owners' interests in and/or concerns about Magnolia Park. The collection of information included surveys and discussions of business issues. The participants discussed service plan options, organizational issues, boundaries, benefit zones, and various assessment methodologies.

In all of these groups, parking improvements were identified as the highest priority. When asked how limited resources should be allocated, many respondents also suggested that business recruitment and retention, debris removal and maintenance were also important service considerations. Most respondents believed that Magnolia Park is quite safe and that customer's perception is that the Boulevard is quite safe.

Some stakeholders responded that they would dedicate resources to a maintenance program, promotional activities, and the development of an advocacy program for Magnolia Park. Special events and improved parking were also areas that the respondents expressed interest in. The respondents agreed that the Property and Business Improvement District option should be explored.

Representatives from Downtown Resources continued discussions with property owners culminating in the development of this plan. A number of individual meetings were held to further refine the needs and desires of property owners and business owners in the area. This plan now sets the blueprint for further action in Magnolia Park.

Members of the Magnolia Park PBID Steering Committee and representatives from Downtown Resources continued to meet to discuss and refine the Management District Plan. In May, after lengthy discussions with key stakeholders in Magnolia Park, the Steering Committee and Downtown Resources presented a draft Property and Business Improvement District plan to the property owners. Downtown Resources conducted a property owner workshop to receive feedback regarding the plan.

Members of the Steering Committee and representatives from Downtown Resources continued to refine the Property and Business Improvement District plan to meet the property owners' comments from the workshops. Members of the Steering Committee lent their support for the District by visiting key stakeholders to discuss the proposed District. This Property and Business Improvement District plan is the end result of the discussions with the property owners from Magnolia Park.

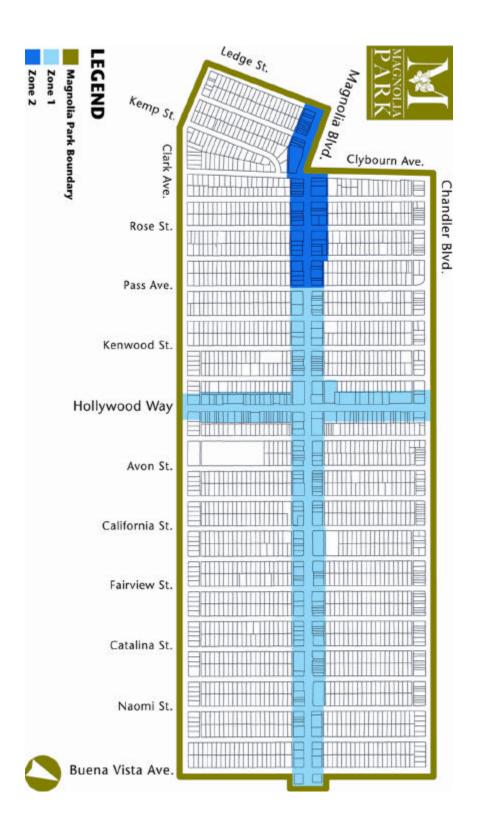
V. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT BOUNDARIES

The Magnolia Park Property and Business Improvement District will deliver services to Magnolia Park. The District is a low density residential community located within the City of Burbank. Businesses are located along Magnolia Blvd. and Hollywood Way, known as the commercial corridor, commonly bounded by Chandler Blvd to the north, Buena Vista St. to the east, Clark Ave. to the south and the City limits to the west.

Zone 1 is defined as properties within the above boundaries that are northeast of Pass Avenue. Zone 2 is defined as properties within the above boundaries that are southwest of Pass Avenue.

The service area includes approximately 273 properties and 194 property owners. The Property and Business Improvement District boundary is illustrated by the map on the following page. Please see pages 11 through 12 for the specific assessment formula based on lot square footage and building square footage in Magnolia Park. A larger map is available on request by calling (916) 325-0604 or 1-800-999-7781.

A. Magnolia Park PBID Boundary Map.



SERVICE PLAN AND BUDGET

B. History of Establishing the Service Plan

Property and business owners in Magnolia Park have been concerned about the need for coordinated supplemental services in the area for several years. City services and efforts in the area have been welcomed, but limited resources have not allowed for a more comprehensive approach to managing the commercial area.

In 1994, Governor Wilson signed AB 3754 (Caldera) establishing the Property and Business Improvement District Law of 1994. This statewide enabling law created a mechanism for property owners to join forces and improve their commercial districts. The owners in Magnolia Park have seized the opportunity to utilize this new tool to provide efficient supplemental services in a cost-effective manner. The following service plan details the nature and extent of the services proposed and provides an itemized budget.

C. Programs and Services to be Provided

The Magnolia Park Service Plan provides for business advocacy services above and beyond those currently provided by the City of Burbank. Existing City services will remain intact pursuant to a "base levels of service" agreement between the City of Burbank and the property owners within the District as detailed in Section VII on page 14.

Property and Business Improvement District service levels will be based on the amount paid into the District. Program descriptions and budgets of proposed Property and Business Improvement District image enhancement, business advocacy, and administrative services are provided in the following pages.

The first step in preparing the service plan was to identify the existing "baseline" level of services provided by the City of Burbank. In order to identify the aspects of the District that needed additional services, several property owner focus group meetings were conducted. In addition, numerous meetings were held with City of Burbank staff, property owners, and business owners. Based on the information and opinions collected during this process, service priorities were identified. The information from each step of this process was integrated and this service plan was developed.

The following are some key aspects of the service plan budget:

1. Parking Improvements

Improvements include leveraging other monies to create more spaces and better manage the existing spaces. The parking initiative will build on the city's work to create more spaces for diagonal parking. The District will also develop, in conjunction with the City, a parking lot of at least 25 spaces on Los Angeles Department of Water and Power property. In addition, we will seek out Shared Parking Agreements with property owners with excess parking, similar to an agreement that will provide 40 parking spaces at the Burbank Community Church parking lot. Also, we will work with the City to develop new parking standards based on specific business types.

The overall goal of the parking program is to create or make available at least 150 new or newly managed spaces in Magnolia Park.

The budget for the Parking Improvement program is \$67,500 or 27% of the total District budget.

2. Maintenance

The maintenance program will be developed to promote Magnolia Park as a vibrant commercial center. Cleaning, litter removal, and maintenance will keep the area clean and free from tree debris. Landscaping maintenance will beautify and make the area look festive. This program will also implement a tree replacement program. The District will replace existing ficus trees on an incremental basis with trees that are cleaner and do not cause damage from expanding roots.

The budget for a Maintenance program is \$57,500 or 23% of the budget.

3. Promotion, Advertising, Events, and Business Recruitment

Special events in Magnolia Park as well as marketing and advertising of the area will keep shoppers coming for entertainment and special events as well as regular shopping. Banners will help create an identity as a destination for shoppers as well as make the area aesthetically appealing to attract new businesses to locate in Magnolia Park.

- Creation of two special events, such as Holiday in the Park in the winter, and live music presentations, an art show or children's activities in the summer.
- Holiday activities, like coordination and promotion of Holiday in the Park, ongoing performances by choirs and other holiday-related events.
- Seasonal lamppost banners establishing a Magnolia Park "identity" campaign.
- 4-color brochure of all shops, dining and offices in the District. These can be distributed through stores, hotels, airports and other destinations to create awareness of Magnolia Park shops, restaurants and services.
- Leasing packet to attract new retail and restaurants to the area.
- Newsletter communicating upcoming events, new stores, District-wide issues and other news impacting Magnolia Park.
- Website that reflects Magnolia Park's best selling points and details upcoming events and general news.

The budget for Promotion, Advertising, Events, and Business Recruitment is \$55,000 or 22% of the budget.

4. Advocacy and Administration

A Magnolia Park Property and Business Improvement District will create a strong and organized voice to represent the property and business owners in the commercial District. Administration, with guidance from the Board of Directors, will provide for the day-to-day operations of the District programs.

The budget for Advocacy and Administration is \$65,000 or 26% of the budget.

5. 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 District to fund other overhead or renewal costs, the reserve is included as a budget item. This budget item may also be used to pay for any costs related to renewing the District.

The budget for the contingency reserve is \$5,000 or 2% of the budget.

D. Operations Budget

2007 Operating Budget Summary

The summary of the year 2007 operating budget for the Magnolia Park Property and Business Improvement District is provided on the following pages. The total improvement and activity plan budget for 2007 is projected at \$250,000 and shall not exceed \$257,500 in year two, \$265,225 in year three, \$273,182 in year four, and \$281,377 in year five. Property owners will contribute the entire amount through annual lot square footage and building square footage assessments. The draft Budget for the Service Plan is as follows:

Magnolia Park PBID DRAFT Annual Budget, Year One

Services Provided	Descriptions	Total
Parking Impr	ovements Funds for Shared Parking and Joint Use Lots	\$67,500
Maintenance Including a Tre	ee Replacement Program	\$57,500
Promotions, A Business Rec	Advertising, Events, and ruitment	\$55,000
Advocacy and	l Administration	\$65,000
Contingency and other conting	Reserve (For nonpayment's, errors in data, encies)	\$ 5,000
Total		\$250,000

VI. ENGINEER'S REPORT

A. Assessment Methodology

1. Base Formula

Property owners, merchants, and other Magnolia Park stakeholders have emphasized that an assessment formula for the proposed Property and Business Improvement District be fair, balanced, and commensurate with benefits received.

Each property owner will pay based on benefits received. The variables used for the annual assessment formula are gross lot square footage and building square footage. Lot square footage is relevant to the highest and best use of a property, and will reflect the long-term value implications of the Property and Business Improvement District. Building square footage relates to the economic uses currently on the parcel. In addition, the building square footage component reduces the assessment on parcels that include parking thus balancing the benefit received from the parking improvement program.

The annual assessment on property in Zone 1 is \$0.12 per lot square foot per year plus \$.05 per building square foot per year. Because of fewer services and reduced benefit, the cost to owners in Zone 2 is \$.06 per lot square foot per year plus \$.025 per building square foot per year. Because the programs in the proposed District have been designed to provide benefits to commercial properties, and do not provide benefit to residential properties, residential properties shall not be assessed.

For example, a parcel in Zone 1 with 10,000 square feet of parcel area and 5,000 square feet of building area would pay \$1,450 per year. $(10,000 \times .12) + (5,000 \times .05) = 1,450$. If the same parcel were in Zone 2 it would receive approximately 50% of the benefits and would pay \$725 per year. If you would like more information about property assessments, please call Downtown Resources at (916) 325-0604.

2. Determination of Special Benefit

New physical improvements, marketing, additional security, and promotion services are anticipated throughout the Property and Business Improvement District. Assessment law provides that the expenses of the District shall be apportioned in proportion to the benefit received by each property. In addition, Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Proposition provides that only special benefits are assessable, and that the City must 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 District. The general enhancement of property value does not constitute a special benefit.

Each and every parcel within the District, except for exempt parcels (discussed below), receives a particular and distinct benefit from the proposed improvements and activities, over and above general benefits conferred by the improvements and activities of the District. The proposed physical

improvement, maintenance, and marketing programs will improve economic development within the District, thereby benefiting all businesses within the District. These programs contribute to a specific enhancement of the property values of each of the parcels within the District.

3. Government-Owned Property

Under "The Right to Vote on Taxes Act" (also known as Proposition 218) all public properties are required to pay assessments unless they can demonstrate by clear and convincing evidence that their property does not receive benefit. It has been proposed that the City of Burbank and other public properties pay their "fair share" of all assessments.

4. Residential Properties

Residential properties do not derive sufficient benefit from the proposed improvements to be assessed. The primary purpose of the Property and Business Improvement District is to benefit commercial properties. The incidental benefit to residential properties in Magnolia Park does not warrant assessing those properties. Therefore, residential properties within the boundaries of the District shall not be assessed.

5. Assessment Notice

An Assessment Notice will be sent to owners of each property in the Property and Business Improvement District. The Assessment Notice provides an estimated assessment based upon the lot square footage in Magnolia Park of each individual property. The final individual assessment for any particular property may change, up or down, if the lot square footages differ from those found on the Assessment Notice. A list of properties to be included in the Property and Business Improvement District is provided within Appendix 2.

6. Tax-Exempt Properties

As stated above, the primary purpose of the Property and Business Improvement District is to benefit commercial properties. Tax exempt properties, e.g. religious institutions, do not derive sufficient benefit from the proposed improvements to be assessed. The incidental benefit to these properties in Magnolia Park does not warrant assessing them. Therefore, tax exempt properties within the boundaries of the District shall not be assessed.

B. Time and Manner for Collecting Assessments

As provided by State Law, the Magnolia Park assessment will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. Property tax bills are generally distributed in the fall, and payment is expected by lump sum or installment. The County of Los Angeles shall distribute funds collected to the City of Burbank and then to the Property and Business Improvement District pursuant to the authorization of this Plan. Existing laws for enforcement and appeal of property taxes apply to the Property and Business Improvement District assessments.

Review of this Magnolia Park Property and Business Improvement District Plan and preparation of the Engineers Report was completed by:

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

VII. CONTINUATION OF CITY SERVICES

A. City Base Levels of Service Policy

Throughout the process of establishing the Magnolia Park Property and Business Improvement District, stakeholders and business and property owners have voiced concerns that the City of Burbank maintain existing services at verifiable "baseline" service levels. A formal base level of service policy ensures that existing City services are enhanced, not replaced, by new Property and Business Improvement District services.

B. City Council Resolution

The property and business owners in Magnolia Park have requested that the Burbank City Council adopt Resolutions committing the City to establish and maintain base levels of service within the Property and Business Improvement District. The policy states that "basic service levels" provided to the area must be paid for by the general City revenues, and not subsidized by revenue which the Property and Business Improvement District generates for enhanced and supplemented levels of service.

The policy allows for adjustments in the "basic service levels" commensurate with changes in the City's overall financial condition. City wide service reductions can trigger a proportionate reduction in base levels of service within a Property and Business Improvement District.

A draft City of Burbank Resolution establishing this policy and an estimate of current services is provided in Appendix 3.

VIII. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT GOVERNANCE

A. Magnolia Park Property and Business Improvement District

The proposed District shall be governed by a private non-profit corporation with oversight from the Burbank City Council. The Board of Directors of the non-profit organization and its staff are charged with the day-to-day operations of the Property and Business Improvement District. In addition the state law requires that the nonprofit corporation provide an annual report to City Council to report on revenue received, expenditures made, and budgets for the upcoming year.

This plan proposes that the Board of Directors of the non-profit corporation be comprised of a large majority of property owners paying the proposed assessment. In addition, the Board of Directors must represent a variety of interests within the District and respond to the needs of property and business owners. The proposed Board includes this representation.

In order to achieve this diverse representation, the initial Board of Directors shall be comprised of the following board seats:

- 6 Property Owners (Could also be business owners)
- 2 Residential Representatives
- 2 City and Redevelopment Agency Representatives
- 1 Business Owners

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

APPENDIX 1 – THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CALIFORNIA STREETS AND HIGHWAYS CODE SECTION 36600 et seq.

As of January 1, 2005

DECLARATIONS

36600. This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

36601. The Legislature finds and declares all of the following:

- (a) Businesses located and operating within the business districts of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of the business districts of its cities in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow cities to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that benefits 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 which confer special benefits upon the real property or businesses for which the improvements and activities are provided.
- 36602. The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within a business improvement area. 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.
- 36603. 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. A property and business 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)).
- 36603.5. Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.
- 36604. 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. Assessments levied under this part are not special taxes.

- 36606. "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 property and business improvement district.
- 36607. "Business" means all types of businesses and includes financial institutions and professions.
- 36608. "City" means a city, county, city and county, or an agency or entity created pursuant to 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.
- 36609. "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.
- 36610. "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, the following:
 - (a) Parking facilities.
 - (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
 - (c) Trash receptacles and public restrooms.
 - (d) Lighting and heating facilities.
 - (e) Decorations.
 - (f) Parks.
 - (g) Fountains.
 - (h) Planting areas.
 - (i) Closing, opening, widening, or narrowing of existing streets.
 - (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
 - (k) Ramps, sidewalks, plazas, and pedestrian malls.
 - (l) Rehabilitation or removal of existing structures.
- 36611. "Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.
- 36612. "Property" means real property situated within a district.
- 36613. "Activities" means, but is not limited to, all of the following:
 - (a) Promotion of public events which benefit businesses or real property in the district.
 - (b) Furnishing of music in any public place within the district.
 - (c) Promotion of tourism within the district.
 - (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
 - (f) Activities which benefit businesses and real property located in the district.
- 36614. "Management district plan" or "plan" means a proposal as defined in Section 36622.
- 36614.5. "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. Notwithstanding this section, 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.

36615. "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.

36616. "Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

36617. 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. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

36620. A property and business improvement district may be established as provided in this chapter.

36620.5. 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.

36621. (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district.

The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.
 - (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 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) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. The management district plan shall contain all of the following:

- (a) A map of the 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 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 established pursuant to other provisions of law including, but not limited to, the Parking and Business Improvement Area Law of 1989.
- (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 or 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 these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. 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 businesses to be assessed, including the assessor's parcel numbers for any properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or 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.

36623. If a city council proposes to levy an assessment that is consistent with the assessment proposed in the petition of property owners or businesses submitted pursuant to Section 36621 and with the management district plan submitted pursuant to Section 36622, the city shall provide notice of the public hearing set pursuant to paragraph (2) of subdivision (c) of Section 36621 to the property or business owners as required by Article XIIID of the California Constitution. The petition shall serve as the equivalent of a protest ballot procedure for purposes of Article XIII D. If a city council proposes to levy a new or increased assessment, or an assessment that is materially different from the assessment proposed in the petition and management plan, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code. However, notwithstanding the provisions of Section 53753 of the Government Code, if the assessment will be levied on businesses, the required notice shall be provided to the businesses that would be assessed, and only assessment ballots submitted by owners of those businesses shall be tabulated in determining whether a majority protest exists.

36624. 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 property and business improvement 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 36627.

- 36625. (a) If the city council, following the public hearing, decides to establish the proposed property and business improvement 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 a majority protest was received.
- (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 businesses within the area of the property and business improvement 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 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36626. If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, 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 (b) of Section 36625, but need not contain information about the preliminary resolution if none has been adopted.

36627. Following adoption of the resolution establishing the district pursuant to Section 36625 or 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section3114. 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.

36628. 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 a different assessment 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 a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. 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.

36629. All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement 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 parking and business improvement area.

36630. If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and a new district established pursuant to this part.

36631. 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 36622. 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.

- 36632. (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 property and business improvement 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 property and business improvement 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 zoned solely for 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.
- 36633. 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 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.
- 36634. The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.
- 36635. 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.
- 36636. (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. Notice of the public hearing and the proposed modifications shall be published as provided in Section 36623. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 53753 of the Government Code.
- (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.
- 36637. 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 36627.
- 36640. (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 36625, 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 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 36625, 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 30 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.
- 36650. (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 property and business improvement 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 property and business improvement 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 property and business improvement 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 36635 and 36636.

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.

36651. 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.

36660. (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 businesses in the prior district. If the renewed district does not include parcels or 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, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.
- 36670. (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 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 notice a hearing on 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 property and business improvement district. The notice of the hearing on 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.
- 36671. (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 – PROPERTIES WITHIN THE PROPOSED MAGNOLIA PARK PBID

2419-025-007	2476-026-005	2477-019-003
2419-025-008	2476-026-006	2477-019-025
2419-025-009	2476-026-007	2477-021-001
2419-025-010	2476-026-008	2477-021-002
2419-025-011	2476-026-029	2477-021-003
2419-025-012	2476-026-030	2477-021-004
2419-025-033	2477-015-002	2477-021-005
2419-028-001	2477-015-009	2477-021-006
2419-028-002	2477-015-011	2477-021-007
2419-028-003	2477-015-014	2477-021-008
2419-028-034	2477-015-017	2477-021-009
2419-028-035	2477-015-019	2477-023-001
2447-001-036	2477-015-022	2477-023-002
2448-032-032	2477-015-039	2477-023-003
2476-014-028	2477-015-040	2477-023-004
2476-014-029	2477-015-044	2477-025-019
2476-014-034	2477-015-045	2477-027-019
2476-016-002	2477-015-046	2477-027-020
2476-016-003	2477-015-047	2477-027-021
2476-016-004	2477-016-001	2477-027-022
2476-016-024	2477-016-003	2477-027-023
2476-016-025	2477-016-005	2478-015-019
2476-018-018	2477-016-007	2478-015-020
2476-018-019	2477-016-009	2478-015-021
2476-018-020	2477-016-010	2478-015-022
2476-018-021	2477-016-018	2478-015-023
2476-018-024	2477-016-019	2478-015-024
2476-018-025	2477-016-024	2478-017-019
2476-020-001	2477-016-030	2478-017-020
2476-020-002	2477-016-031	2478-017-021
2476-020-003	2477-016-034	2478-017-023
2476-020-004	2477-016-035	2478-017-027
2476-020-005	2477-017-008	2478-017-028
2476-022-001	2477-017-010	2478-019-022
2476-022-002	2477-017-012	2478-019-023
2476-022-003	2477-017-014	2478-019-024
2476-022-004	2477-017-016	2478-019-025
2476-022-005	2477-017-017	2478-019-026
2476-022-006	2477-017-019	2478-019-027
2476-022-030	2477-017-027	2478-019-029
2476-024-018	2477-017-028	2478-019-030
2476-024-020	2477-017-029	2478-021-017
2476-026-002	2477-019-001	2478-023-001
2476-026-003	2477-019-002	2478-023-002

0.470,000,000	0.400,007,000	0400 010 010
2478-023-003	2480-005-022	2480-012-016
2478-025-001	2480-005-023	2480-012-018
2478-025-002	2480-005-024	2480-012-023
2478-025-024	2480-007-001	2480-012-025
2479-001-001	2480-007-002	2480-012-027
2479-001-002	2480-007-003	2480-012-028
2479-001-003	2480-007-004	2480-013-008
2479-003-001	2480-009-014	2480-013-009
2479-003-002	2480-009-015	2480-013-010
2479-003-003	2480-009-016	2480-013-012
2479-003-026	2480-009-017	2480-013-019
2479-005-007	2480-009-018	2480-013-022
2479-005-008	2480-009-019	2480-013-023
2479-005-009	2480-010-001	2480-013-279
2479-005-028	2480-010-004	2481-001-001
2479-005-031	2480-010-004	2481-001-001
2479-005-032	2480-010-007	2481-001-002
		2481-001-003
2479-005-033	2480-010-014	
2479-005-034	2480-010-018	2481-001-005
2479-005-035	2480-010-020	2481-001-006
2479-005-036	2480-010-023	2481-001-007
2479-005-037	2480-010-025	2481-003-003
2479-005-038	2480-010-026	2481-003-004
2479-005-039	2480-010-028	2481-003-025
2479-005-040	2480-010-030	2481-003-271
2479-005-041	2480-010-900	2481-005-023
2479-007-001	2480-010-901	2481-005-024
2479-007-021	2480-010-902	2481-007-003
2479-009-020	2480-010-903	2481-007-004
2479-009-021	2480-011-001	2481-007-005
2479-009-022	2480-011-002	2481-007-029
2479-009-023	2480-011-007	2481-009-001
2479-009-024	2480-011-009	2481-009-025
2479-011-001	2480-011-011	2481-009-026
2479-011-002	2480-011-013	2481-009-027
2479-011-002	2480-011-015	2481-011-001
2480-001-021	2480-011-013	2481-011-001
2480-001-021 2480-001-022		
	2480-011-018	2481-011-027
2480-001-023	2480-011-020	2481-011-028
2480-001-024	2480-011-022	2481-011-029
2480-001-025	2480-011-026	2481-011-030
2480-003-001	2480-011-027	2481-013-001
2480-003-003	2480-012-002	2481-013-002
2480-003-004	2480-012-004	2481-013-003
2480-003-023	2480-012-006	2481-013-004
2480-003-024	2480-012-008	2481-013-005
2480-005-021	2480-012-013	2481-013-006

APPENDIX 3 – DRAFT BASE LEVEL OF SERVICES RESOLUTION FOR THE CITY OF BURBANK

The following draft resolution can be used by the Burbank City Council.

	RESOLUTION No				
	ADOPTED BY THE BURBANK CITY COUNCIL				
	ON THE DATE OF				
ADOPTING CITY POLICY REGARDING BUSINESS IMPROVEMENT DISTRICTS:					
BASE LEVELS OF SERVICE					
WHEREAS , business area often face a need for collective efforts to promote their businesses and to improve the overall business climate and health of their Districts, and					
WHEREAS , businesses often seek enhanced city services and infrastructure improvements.					
Now be it Resolved by the City Council of the City of Burbank,					
1.	Revenue garnered from a Business Improvement District (BID) or other similar assessment District should be used to improve the overall business climate of the area through various promotional programs and service enhancements. To that end, base service level measures should be established and agreed to at the inception of the financing of the District.				
2.	In the event of a significant downturn in citywide revenues, the Council may be forced to reduce base levels of municipal services citywide unless a substitute source of citywide revenues is available.				
	Mayor				