

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: 12/30/14

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FORM MUST BE TYPEWRITTEN

FROM (DEPARTMENT): CITY CLERK

CONTACT PERSON: RICK SCOTT PHONE: 213-978-1121

CONTRACT NO.: C-125741 COUNCIL FILE NO.: 12-1543

ADOPTED BY COUNCIL: 08/06/2014
DATE

APPROVED BY BPW: _____
DATE

NEW CONTRACT X
AMENDMENT NO. _____
ADDENDUM NO. _____
SUPPLEMENTAL NO. _____
CHANGE ORDER NO. _____

CONTRACTOR NAME: STUDIO CITY IMPROVEMENT ASSOCIATION

TERM OF CONTRACT: 01/01/2015 THROUGH: 12/31/2019

TOTAL AMOUNT: N/A

PURPOSE OF CONTRACT:

Administration of the Studio City Business Improvement District 2015-2019

NOTE: CONTRACTS ARE PUBLIC RECORDS - SCANNED AND UPLOADED TO THE INTERNET

PRINT

AGREEMENT TO ADMINISTER THE PROPERTY-BASED
BUSINESS IMPROVEMENT DISTRICT

AGREEMENT NO. _____

This Agreement ("Agreement") is entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), and the STUDIO CITY IMPROVEMENT ASSOCIATION, a California nonprofit corporation ("Corporation"), acting as the Owners Association pursuant to Section 36651 of the California Streets and Highways Code, for the administration of the Studio City Business Improvement District, for the purpose of conveying special benefits to parcels assessed as part of the Studio City Business Improvement District, with reference to the following facts:

RECITALS

- A. On August 6, 2014, the Los Angeles City Council ("City Council"), acting pursuant to the Property and Business Improvement Act of 1994, Sections 36600, et seq., of the California Streets and Highways Code ("Act"), adopted City Ordinance No. 183168 ("Ordinance"), which established the Studio City Business Improvement District ("District") and levied assessments on the parcels of real property within the District. (Council File No. 12-1543).
- B. The Assessments levied and collected by City shall be used only for the purposes set forth in said Ordinance, which incorporates by reference the Management District Plan, except for any City costs or expenses, which are charged to the District by City for administration of the District program.
- C. The services and activities to be performed by Corporation are of a supplemental nature, such that were it not for the establishment of the District, the supplemental services could not or would not be performed by City or by City employees, and such that the interests of City are better served by an agreement with the Corporation than by the performance or attempted performance of such supplemental services and activities by City.
- D. City currently intends that the level of services presently being provided by City in the area within the District ("baseline service level") will not be affected by the establishment of the District or the levying of assessments.
- E. The City Council has authorized the Los Angeles City Clerk ("City Clerk"), as Business Improvement District Program Coordinator, and subject to approval by the Los Angeles City Attorney, to execute and administer this Agreement for administration of the District program.
- F. Subsequent to adoption of said Ordinance by the Los Angeles City Council, and prior to the execution of this Agreement, Corporation has commenced tasks associated with this Agreement including, but not limited to, the purchase of insurance as required in Section 8.1, herein.

NOW, THEREFORE, City and Corporation in consideration of the recitals, mutual promises, covenants, agreements and representations set forth below, hereby promise, covenant, agree and represent as follows:

SECTION 1. PERIOD OF PERFORMANCE

The period of performance under this Agreement shall be from January 1, 2015 to and including December 31, 2019, unless amended by mutual agreement of both parties through a written amendment to this Agreement.

SECTION 2. CORPORATION RESPONSIBILITIES

- 2.1. **PROGRAM IMPLEMENTATION AND OPERATION.** Corporation shall be fully responsible for developing, implementing, directing, and operating the District programs, improvements or activities as described in the Management District Plan set forth in Attachment 1, attached hereto and incorporated fully by reference. Corporation understands and expressly agrees that it will comply with all applicable laws and regulations and maintain its non-profit status for the duration of this agreement.
- 2.2. **PROGRAM AND BUDGET REPORTS.** Corporation shall prepare and submit to the City Clerk quarterly activity reports and a planning report for each year for which Assessments are to be levied and collected by City. Corporation shall submit to the City Clerk various District program plans and reports, including the following:
 - A. **Planning Reports.** Corporation shall prepare and submit to the City Clerk a Planning Report for each fiscal year for which Assessments are to be levied and collected. The Planning Report shall be prepared in accordance with Section 36650 of the Act and shall contain all items required by said Section. The first Planning Report shall be submitted by November 1, 2015 and by November 1 of each subsequent fiscal year of District operations for which assessments are to be levied and collected. The District's "fiscal year" shall be from January 1 to and including December 31. These reports are subject to review, approval and or modification by the City Council.
 - B. **Quarterly Activity Reports.** Corporation shall submit quarterly activity reports. The report for January, February and March of each District operating year shall be submitted by April 30 of the subject year; the report for April, May and June by July 31 of the subject year; the report for July, August and September by October 31 of the subject year; and the report for October, November and December by January 31 of the subsequent year. The Quarterly Activity reports shall describe the status and progress of the various District programs, improvements and activities as described and referenced in the Management District Plan and subsequent Planning Reports. The Quarterly Activity Report shall be written in narrative summary form and include summary statistical and financial data.
- 2.3. **FINANCIAL STATEMENTS.** For each fiscal year, Corporation shall submit to the City Clerk a full disclosure financial statement covering the fiscal year with a Certified Public Accountant's review report. Corporation shall include with its financial statement a report of Corporation's activities, including but not limited to those activities listed in the Planning Report for that fiscal year. The first financial statement shall be submitted to the City Clerk by May 1, 2016, and by May 1 of each subsequent fiscal year.
- 2.4. **PROGRAM COORDINATION.** Corporation shall render services in accordance with the Management District Plan and the terms of this Agreement, and shall cooperate with the City Clerk in the execution of the Management District Plan and this Agreement.
- 2.5. **SUPPORT SERVICES.** Corporation assumes responsibility for the contracting for support services as required, and paying for all such direct and indirect expenses as may be necessary for the timely completion of work. Any obligations or expenditures for items not budgeted shall not be paid through assessments collected for the District. In administering subcontracts as necessary for providing District programs, improvements or activities, Corporation shall comply with all applicable State, County and City laws and regulations.
- 2.6. **LIAISON WITH COMMUNITY.** Corporation shall maintain an ongoing liaison relationship with the community. Corporation's responsibilities encompass the following areas:

- A. Public Meetings. Corporation shall organize and conduct, at a minimum, one annual public meeting to be noticed in writing by Corporation to all assessed property owners in the District. This meeting will be conducted at a location within the District, in order to allow the property owners to meet other District members as well as to familiarize themselves with Corporation, its functions and its officers. At these meetings District members shall have the opportunity to express to Corporation their desires and concerns relating to the District.
- B. Newsletters. Corporation shall prepare a District newsletter to be produced on a quarterly basis, at a minimum, and shall distribute this newsletter to all assessed property owners in the District. Corporation may, at Corporation's option, provide the newsletter by standard mail or electronic transmission. The newsletter will be designed to facilitate and maximize the exchange of information between Corporation, City, and the members of the District. Each issue of the newsletter shall be submitted in duplicate to the City Clerk for reference.
- C. Other Events. Corporation shall organize at their discretion other events and activities that involve District members and further the goals and objectives described in the Management District Plan.

2.7. BUDGET. Each program, improvement or activity specified in the Management District Plan, and as described in section 36622 of the Act, or the Planning Report, shall be implemented by Corporation. Corporation and City agree that amounts shown in the Management District Plan or the Planning Reports were the best estimates of the cost of those programs, improvements or activities at the time those estimates were made. Deviations from those estimates may be anticipated. City and Corporation also agree that the programs, improvements and activities may not be completed within the year budgeted, given normal delays that can be expected in these types of programs. Corporation will use its best efforts to implement and complete all programs, improvements and activities specified in the Management District Plan. If Corporation decides to make any changes to the Management District Plan, Corporation will request City Council authorization to make said modifications pursuant to Sections 36635 and 36636 of the Act. In no event may Corporation spend more than the total amount budgeted in the Management District Plan for any given year, including delinquent payments, interest income, and rollover funds, without City Clerk or City Council approval.

2.8. ASSESSMENT RECORDS. Corporation shall maintain a complete database or other comprehensive listing, current to the most recent property tax year available, containing the following information: the Assessor Parcel Number and situs address of all parcels in the District; the name and address of the legal owner of each parcel; the amount of Assessment levied upon each parcel; the proportionate financial obligation of the Assessment levied upon each parcel, in relation to the entire District Assessment; and, the Assessment calculations for each parcel, including all variables used in the calculation of the Assessment. Said database shall be updated at least once each year during District operations to reflect changed conditions such as parcel consolidation and to accurately reflect the status of the assessed individual parcels as provided in the Management District Plan. The City Clerk may, at the City Clerk's discretion, provide assistance in compiling or correcting assessment data or information relative to properties in the District; however, the City Clerk shall in no way be obligated to prepare, produce or correct such data or information. Corporation agrees to make such District data available at the Corporation's office for inspection by property owners in the District during regular business hours.

2.9. ANNUAL ASSESSMENT PREPARATION. Beginning June 1, 2015, and by June 1 of each subsequent fiscal year, Corporation shall supply the City Clerk with Assessment data for placement on the Los Angeles County Assessor tax roll for the subsequent tax year, in a format to be prescribed by the City Clerk. The Assessment data shall include the following: Assessor Parcel Numbers of all parcels in the District; the amount of Assessment to be levied upon each parcel; exemption documentation acceptable to the City Clerk, the Assessment calculations for each

parcel, including all variables used in the determination of the Assessment, and other information which the City Clerk may require. Any corrections or adjustments to the annual assessment transmittal, as well as the accuracy of any such corrections or adjustments, shall be the responsibility of Corporation. Upon request of the City Clerk, Corporation hereby agrees to promptly complete a written request for an investigation of discrepancies and make all reasonable efforts to obtain additional related documentation. If City agrees, any errors caused by City in transmitting or calculating Corporation supplied data will result in an immediate correction and re-transmission by City.

SECTION 3. CITY RESPONSIBILITIES

The City Clerk may assist with the resolution of any discrepancies in individual Assessment amounts, calculations or benefits. The City Clerk reserves the right to:

- A. Make reasonable efforts to effect the timely collection of the annual assessment, including City assessments and direct billed assessments;
- B. Make reasonable efforts to pursue delinquent assessments and remit such assessments to Corporation, including interest and penalties subject to City's right to recover costs for pursuing such assessments;
- C. Maintain a continual liaison with Corporation, including assisting with the coordination of services from various other City departments, bureaus, and agencies;
- D. Conduct reviews of existing primary data; verify Assessment data as compiled by any consultant or subcontractor hired by Corporation; perform field or site inspections to verify the accuracy of existing or secondary data, or to substantiate a claim made by a property owner subject to assessment in the District, with the cooperation of Corporation; maintain confidentiality of certain City records as City deems appropriate;
- E. Direct the Corporation to recalculate the Assessment amount due and direct the Los Angeles County Auditor-Controller to respond appropriately, or make such other arrangements with Corporation and the property owner to resolve the incorrect assessment;
- F. Recalculate the Assessment amount due and direct the Los Angeles County Auditor-Controller to respond appropriately, or make such other arrangements with Corporation and the property owner to resolve the incorrect assessment;
- G. Any of the actions by the City Clerk mentioned in this Section may require a written request from Corporation to conduct the investigation; additional related documentation, such as a written request from the affected property owner, may also be required. All City Clerk costs associated with such supplemental investigations may be recovered from the District Assessments collected, subject to existing or future City policies and procedures regarding recoverable costs and expenses. Such costs will be in addition to those costs set forth in Sections 6.1 through 6.4 of this Agreement.

SECTION 4. AVAILABILITY OF DOCUMENTS

The designs, plans, reports, files, invoices, investigations, materials, and documents prepared or acquired by or for Corporation pursuant to this Agreement (including any duplicate copies) shall be made fully available to City by Corporation. Corporation agrees to exercise reasonable and due diligence in providing for the secure storage of all such materials and to provide copies for official

SECTION 6. COSTS AND EXPENSES

- 6.1. **RECOVERABLE COSTS.** The recoverable City costs associated with the District's billing, account maintenance, program and report reviews as well as liaison activities, assistance to the Corporation and general administration, will be reimbursed to City. City shall deduct recoverable City costs from the District's special fund. Such costs may be withheld by the City Clerk prior to making any distribution of funds to Corporation.
- A. The recoverable City costs are reimbursable from the assessment revenues each year of the District's operation. The reimbursable direct costs and expenses include salaries, general expenses and the District's share of required program equipment costs. The recoverable City costs are three percent (3.00%) of the total annual assessments, plus an additional one percent (1.00%) for departmental costs associated with the direct billing of BID stakeholders. For the first fiscal year estimated recoverable costs will be \$13,511.98.
- B. The amounts and categories of allowable recoverable or reimbursable City costs are subject to existing or future City policies and procedures regarding recoverable costs and expenses, and remain subject to review and action by the City Council. In no event will a change in policies or procedures be imposed on the Corporation during a current fiscal year, such that the charge would require additional funds to be paid to City. Any such change shall be made through a written amendment to this Agreement, consistent with Section 22 ("Amendment") below.
- 6.2. **STANDARD CITY FEES.** All standard City fees, including but not limited to, fees or service charges for reproduction or transmittal requests or for the generation of real property or business ownership lists, reports or specific documents, may be applied to requests by Corporation. Such fees are in addition to the estimated costs and fees in Sections 6.1, 6.3 and 6.4 of this Agreement.
- 6.3. **SUPPLEMENTAL CITY FEES.** Supplemental fees may be charged to Corporation by City to cover the additional costs incurred for specialized services, including but not limited to: researching and compiling data; preparing specialized types of reports specific to the needs of the Corporation; and performing site inspections as described in Section 3.2. of this Agreement. Corporation may request the performance of all such specialized services in writing. If City determines to proceed with said request, City shall notify the Corporation of any applicable fees prior to performing the specialized service requested. City may initiate such special services to resolve discrepancies or assessment benefit problems. City will notify Corporation thirty (30) days prior to initiating such services in order to allow the Corporation to resolve the need for such specialized services. If notice is not given but City does conduct specialized services, the cost of those specialized services will be borne by the City. Such fees shall be deducted from the Assessments collected or shall be paid in advance by the Corporation, at the City Clerk's discretion and are in addition to costs and fees set forth in Sections 6.1, 6.2 and 6.4 of this Agreement.
- 6.4. **LOS ANGELES COUNTY FEES.** All fees and costs charged to City by the County of Los Angeles for processing or adjusting Assessments or Assessment data, including, but not limited to District report preparation fees, supplemental billing fees and technical, research or systems expenses, shall be deducted from Assessments collected. Such fees are in addition to the costs and fees shown in Sections 6.1 through 6.3 of this Agreement.

SECTION 7. RETENTION OF RECORDS, AUDIT AND REPORTS

- 7.1. In accordance with generally accepted accounting principles, Corporation shall maintain full and complete records of activities and services performed under this Agreement, in their original form. Such records shall be open to the inspection of City and City may audit such records. Corporation

City records upon request from the City Clerk.

SECTION 5. DISBURSEMENTS

- 5.1. Based upon the annual assessments as listed in the Management District Plan or Planning Reports, and with the exception of recoverable City costs and net of any County charges or supplemental City service fees, loans or advances, City shall disburse to Corporation the actual revenues received from District assessments. Assessment revenues shall be disbursed to the Corporation by City periodically throughout each year as close to the time City receives such revenues from the County.
- 5.2. The City Clerk will notify Corporation of the amount of funds available within twenty (20) business days of the date of receipt of a transmittal of funds to City from the County of Los Angeles, or the receipt of funds through the direct billing by City of public agencies or other entities. Corporation will deliver an invoice to the City Clerk requesting such funds. The City Clerk agrees to pay Corporation the amount due Corporation within twenty (20) business days of receiving said invoice, subject to Corporation's compliance with Section 2 of this Agreement and except in the case of circumstances beyond the control of the City Clerk. City shall not be responsible for delays in disbursements to Corporation due to delays in funds transmittals by County or payment delays by other public entities, organizations or agencies.
- 5.3. The City Clerk will notify Corporation of the amount of delinquent assessments and penalties, if any, that have been collected and are available to Corporation for the improvements and activities. Corporation will invoice City for the amount of delinquent assessments. The City Clerk agrees to pay Corporation the amount due to Corporation within ten (10) business days of receiving the invoice for the delinquent assessments that have been recovered, subject to Corporation's compliance with its responsibilities under provisions of this Agreement and except in the case of circumstances beyond the control of the City Clerk. The City Clerk will so notify Corporation of these assessments when the amounts collected exceed five hundred dollars (\$500).
- 5.4. The City Clerk may withhold either all or some portion of the actual revenues received from assessments, if the City Clerk finds that Corporation is not properly administering the budget in accordance with the Ordinance, Planning Report, and Subsections 2.2, 2.3, 2.6 (A) & (B), 2.8 (insofar as it requires Corporation to create a budget and expend funds pursuant to this Agreement, the Management District Plan, and the Planning Report, and in compliance with the Act). The City Clerk will notify Corporation and set forth the specific problems and issues relative to the Corporation's failure to properly implement the improvements and activities stated in Section 2 of this Agreement, the Ordinance, Management District Plan, and Planning Report. The City Clerk and Corporation will immediately attempt to cure the problems if, at the City Clerk's discretion, a cure is appropriate. Funds will be released upon the implementation of an acceptable cure, subject to the approval of the City Clerk and possible modification of the disbursement schedule. This does not alter or diminish in any way City's right to proceed in a manner consistent with California Streets and Highways Code, Section 36670 or other applicable law, or to invoke other appropriate remedies, including termination of this agreement.
- 5.5. If the Corporation is dissolved, dissolves itself, or no longer has non-profit status, prior to or upon the expiration of this Agreement, any unexpended monies will be immediately transmitted to City for distribution as described in Section 10 of this Agreement. Corporation will immediately notify the City Clerk of any such change in corporation status.

agrees to keep all such records on file in a secure location for a minimum of three (3) years subsequent to the expiration of this Agreement.

- 7.2. The records maintained by Corporation shall include, but shall not be limited to, all invoices and receipts for District related expenditures incurred and must include supporting documentation for the activities or programs described in the District budget or Management District Plan. City reserves the right to perform a contract compliance audit at least once annually. Corporation shall provide any records or reports requested by the City regarding performance of this Agreement. Corporation agrees to keep all receipts and other supporting documents available for inspection and as specified in Section 7.1 of this Agreement.

SECTION 8. INSURANCE

8.1. General Conditions

- A. During the term of this Agreement and without limiting Corporation's indemnification of the City, Corporation shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by Corporation but not less than the amounts and types listed on Form General 146 (Rev. 03/09) (attached hereto as Exhibit 1). Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with the instructions set forth on Form General 133 (Rev. 03/09) (included in Exhibit 1) and with the conditions set forth on the applicable City Special Endorsement form(s), copies of which are included in Exhibit 1, and shall otherwise be in a form acceptable to the City Attorney. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interests May Appear, respectively, when such status is appropriate and available depending on the nature of the applicable coverages; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at the option of the insurer; and 3) be primary with respect to City's insurance program. Except when City is a named insured, Contractor's insurance is not expected to respond to claims, which may arise from the acts or omissions of the City.

8.2 Modification of Coverage

- A. City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required hereunder by giving Corporation ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to the Corporation due to market-wide unavailability of coverage, City agrees to negotiate additional compensation proportional to the increased benefit to City.

8.3. Failure to Procure Insurance

- A. All required insurance must be submitted and approved by the City Attorney prior to the inception of any operations or tenancy by Corporation. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by City. Non-availability or non-affordability must be documented by a letter from Corporation's insurance broker or agent indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each.
- B. Within the foregoing constraints, Corporation's failure to procure or maintain required insurance or a self-insurance program during the entire term of this Agreement shall

constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

8.4. Workers' Compensation

- A. By signing this Agreement, Corporation hereby certifies that it is aware of the provisions of Section 3700 et seq., of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Agreement.
- B. A Waiver of Subrogation in favor of City will be required when work is performed on City premises under hazardous conditions.

SECTION 9. NOTICES

9.1. Notice to the parties shall, unless otherwise requested in writing, be sent in duplicate to:

City: Miranda Paster, Division Manager
Neighborhood and Business Improvement District Division
Office of the City Clerk
200 North Spring Street, Room 224
Los Angeles, California 90012

Attn: Special Assessments Section
Phone (213) 978-1099 / Fax (213) 978-1130

Corporation: Tony Richman, President
Studio City Improvement Association
4024 Radford Ave., Editorial Bldg 2 Suite A
Studio City, California 91604

Phone (818) 655-5377 / Fax (818) 655-8327

9.2. Any notice, report, newsletter or other communication required or prepared pursuant to this Agreement shall be deemed to be properly transmitted when delivered via messenger or deposited in the United States mail for delivery to the parties listed above. Changes to the address of any of the parties may be accomplished for purposes of this Agreement by providing written notice of such change via the United States mail.

SECTION 10. REVENUES AND ASSETS OF THE DISTRICT

In the event the District is disestablished, expires, or otherwise terminates, or the Corporation ceases to be a non-profit corporation, all remaining revenue, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, shall be refunded in the manner described in Section 36671 of the Act.

SECTION 11. CONFLICT OF INTEREST

11.1. For the duration of this Agreement, Corporation and its employees or agents will not act in a manner which may create District-related conflict of interest. In particular, Corporation's Board of

Directors and the District's Executive Director must disclose any material financial interest they have in any matter coming before them for decision. Any Board member, Executive Director or employee shall refrain from participating in the decision-making process relating to any matter in which they may have a material financial interest or conflict of interest.

- 11.2. Nothing in this Section prohibits or precludes Corporation's officers, members, directors, agents, or employees from providing or presenting to other interested parties or entities, information or assistance related to the District's establishment or operations, or to the establishment or operation of other proposed or existing districts throughout the City, where such information or assistance does not create a conflict of interest or disclose confidential information. However, Corporation may not provide those services discussed in Section 2 of this Agreement to any other BID unless the bylaws of both Corporations are amended to permit the provision of such services.
- 11.3. Corporation, in carrying out the improvements and activities as set forth in the Management District Plan or the Planning Reports, should encourage local businesses within the boundaries of the District and within the City of Los Angeles to submit proposals for those services needed by Corporation to implement the improvements and activities. Board Members of Corporation and the Executive Director of the District shall not be precluded from submitting proposals for these services.

SECTION 12. ASSIGNMENT

- 12.1. Corporation covenants and agrees that it will not assign or transfer its rights, including the right to payment, under this Agreement, either in whole or in part, without first obtaining the written consent of City, which consent may be granted or denied at the sole and absolute discretion of City.
- 12.2. Any attempt by Corporation to assign or transfer its rights or obligations without such prior written consent shall be null and void and may, at the option of City, automatically terminate this Agreement.

SECTION 13. GENERAL FUND NOT LIABLE

- 13.1. Neither the General Fund of City, nor any other fund, revenue source or monies whatsoever of City, except for the actual collected District Assessment net revenue, shall be liable for payment of any obligations arising from this Agreement. Said obligations are not a debt of City, nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon its income, receipts or revenues.
- 13.2. This Agreement embodies all of Corporation's reimbursement rights and no further note or other document shall be required to be executed by City.

SECTION 14. CORPORATION NOT AGENT OF CITY

Neither Corporation or any of Corporation's employees, agents, representatives, or subcontractors are or shall be considered to be agents of City, nor shall Corporation be considered a legislative body, relative to the performance of Corporation's obligations under this Agreement or for any other purpose.

SECTION 15. TERMINATION

- 15.1. City may terminate this Agreement for City's convenience at any time by giving Corporation thirty (30) days written notice thereof. Upon receipt of said notice, Corporation shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. City shall pay Corporation its reasonable and allowable costs

through the effective date of termination and those reasonable and necessary costs incurred by Corporation to effect such termination. Thereafter, Corporation shall have no further claims against City under this Agreement.

- 15.2. City shall also have the right to suspend this Agreement immediately with written notice to the Corporation in the event City determines that misappropriation of funds, malfeasance, or other violations of law have occurred in connection with the management of the District. City retains the right to immediately commence disestablishment proceedings in accordance with Streets and Highways Code Section 36670, which states in pertinent part that "[a]ny 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... [i]f 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." Cal Sts & Hy Code § 36670(a)(1). In addition, City may seek all other available appropriate remedies pursuant to law. Corporation will have 10 days to respond in writing to City's notice of suspension and begin a dispute resolution process.
- 15.3. Further notwithstanding the foregoing, if Corporation ceases to be a non-profit or if a federal or state proceeding for relief of debtors is undertaken by or against Corporation, or if Corporation makes an assignment for the benefit of creditors, then City may immediately terminate this Agreement.
- 15.4. In the event City terminates this Agreement as provided in this section, City may procure upon such terms and in such manner as City may deem appropriate, services similar in scope and level of effort to those terminated, and Corporation shall be liable to City for all its costs and damages, including, but not limited to, any excess costs for such services.
- 15.5. All documents and materials produced or procured by Corporation pursuant to its performance under this Agreement, including the Management District Plan, the Ordinance, or the Act shall become City property upon date of such termination.
- 15.6. The rights and remedies of this Agreement are not exclusive and are in addition to any other rights or remedies provided by law or under this Agreement.

SECTION 16. BROWN ACT AND PUBLIC RECORDS ACT

- 16.1. The Board of Directors of Corporation 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.
- 16.2. Notwithstanding Section 16.1 above, the Board of Directors of Corporation, when hearing, discussing, deliberating, and taking actions on matters within the subject matter of the District or that are covered under this Agreement, will comply with the provisions of the Ralph M. Brown Act (Chapter 9, commencing with Section 54950 of Part 1 of Division 2 of Title 5 of the Government Code).
- 16.3. Notwithstanding Section 16.1 above, Corporation and the Board of Directors are also subject to and must comply with the California Public Records Act (Chapter 3.5, commencing with Section 6250 of Division 7 of Title 1 of the Government Code).

SECTION 17. SEVERABILITY

If any part, term or provision of this Agreement shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Agreement,

the validity of the remaining parts, terms or provisions of the Agreement shall not be affected thereby.

SECTION 18. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles or subtitles appearing herein have been inserted for convenience and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Agreement shall be construed according to its fair meaning and not strictly for or against the City or the Corporation. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

SECTION 19. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be enforced and interpreted under the laws of the State of California. Corporation shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

SECTION 20. TIME OF EFFECTIVENESS

Unless otherwise provided, this Agreement shall take effect when all of the following events have occurred:

- A. This Agreement has been signed on behalf of the Corporation by the person or persons authorized to bind the Corporation hereto;
- B. This Agreement has been approved by the City's Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Agreement as to form;
- D. This Agreement has been signed on behalf of the City by the person designated to so sign by the City's Council or by the board, officer or employee authorized to enter into this Agreement.

SECTION 21. INTEGRATED CONTRACT

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Agreements or understandings, whether written or oral, relating thereto. This Agreement may be amended only as provided for in Section 22 hereof.

SECTION 22. AMENDMENT

All amendments hereto shall be in writing and signed by the persons authorized to bind the parties thereto.

SECTION 23. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto shall be delayed or suspended as a

result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires, floods; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

SECTION 24. WAIVER

A waiver of a default of any part, term or provision of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

SECTION 25. INDEPENDENT CONTRACTOR

The Corporation is acting hereunder as an independent contractor and not as an agent or employee of the City. The Corporation shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

SECTION 26. PERMITS

The Corporation and its officers, agents and employees shall obtain and maintain all licenses, permits, certifications and other documents necessary for the Corporation's performance hereunder and shall pay any fees required therefore. Corporation certifies to immediately notify the City of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

SECTION 27. NONDISCRIMINATION AND AFFIRMATIVE ACTION

The Corporation shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Corporation shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. The Corporation shall comply with the provisions of the Los Angeles Administrative Code Sections 10.8 through 10.13, to the extent applicable hereto. The Corporation shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by said Office. Any subcontract entered into by the Corporation relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph. Failure of the Corporation to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject the Corporation to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Corporation's Agreement with the City.

SECTION 28. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

The Corporation represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, sections 21.00 and following, of the Los Angeles Municipal Code). For the term covered by this Agreement, the

Corporation shall maintain, or obtain as necessary, all such Certificates required of it under said ordinance and shall not allow any such Certificate to be revoked or suspended.

SECTION 29. BONDS

Duplicate copies of all bonds which may be required hereunder shall conform to City requirements established by Charter, ordinance or policy and shall be filed with the Office of the City Attorney for its review in accordance with Los Angeles Administrative Code Sections 11.47 through 11.5.

SECTION 30. INDEMNIFICATION

30.1 INDEMNIFICATION OF CORPORATION BY CITY. City undertakes and agrees to defend, indemnify, and hold harmless Corporation and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Corporation's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising from the active negligence or willful misconduct incident to the performance of this Agreement by the City or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of this Agreement.

30.2 INDEMNIFICATION OF CITY BY CORPORATION. Corporation undertakes and agrees to defend, indemnify, and hold harmless City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Corporation's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner incident to the performance of this Agreement by the Corporation or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of this Agreement.

SECTION 31. AMERICANS WITH DISABILITIES ACT

Corporation hereby certifies that it will comply with the Americans with Disabilities Act 42, U.S.C. Section 12101 et seq., and its implementing regulations. The Corporation will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. Corporation will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by Corporation, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

SECTION 32. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this Agreement is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, which requires Corporation to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Corporation's fitness and ability to continue performing the Agreement. In accordance with the provisions of this Ordinance, by signing this Agreement, Corporation pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Agreement, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which

affect employees. The Corporation further agrees to: 1) notify the awarding authority within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Corporation is not in compliance with all applicable federal, state and local laws in performance of this Agreement; 2) notify the awarding authority within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the Corporation has violated the provisions of Section 10.40.3(a) of the Ordinance; 3) ensure that its subcontractor(s), as defined in the Ordinance, submit a Pledge of Compliance to awarding authorities; and 4) ensure that its subcontractor(s), as defined in the Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify Awarding Authorities within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Ordinance in performance of the subcontract.

SECTION 33. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. Corporation certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

SECTION 34. WARRANTY AND RESPONSIBILITY OF CORPORATION

Corporation warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within Corporation's profession, doing the same or similar work under the same or similar circumstances.

SECTION 35. SIGNATURE AUTHORITY

The City Clerk of the City of Los Angeles and the Chairman of the Board, President, or Vice President and Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer of Corporation declare that they are authorized to execute this Agreement on behalf of City and Corporation.

SECTION 36. STANDARD PROVISIONS FOR CITY CONTRACTS

Contractor agrees to comply with the Standard Provisions for City Contracts (Rev. 03/09), attached hereto as Appendix A and made a part hereof. In the event of any inconsistency between the provisions in the body of this Agreement and the attachments, the provisions in the body of this Agreement take precedence, followed by the Standard Provisions for City Contracts (Appendix A).

(Signature page follows)

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IN WITNESS WHEREOF, this Agreement is duly executed by THE CITY OF LOS ANGELES and the STUDIO CITY IMPROVEMENT ASSOCIATION for administration of the Studio City Business Improvement District on behalf of the parties to this Agreement.

CITY:

CITY OF LOS ANGELES, a municipal corporation, acting by and through its Office of the City Clerk

By: _____

HOLLY L. WOLCOTT
City Clerk

Date: _____

12/29/2014

CORPORATION:

STUDIO CITY IMPROVEMENT ASSOCIATION,
a California non-profit corporation

By: _____

TONY RICHMAN
President

Its: _____

Date: _____

By: _____

BEN DI BENEDETTO
Executive Vice-President

Its: _____

Date: _____

ATTESTATION:

HOLLY L. WOLCOTT, City Clerk

By: _____

Deputy

Date: _____



APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By: _____

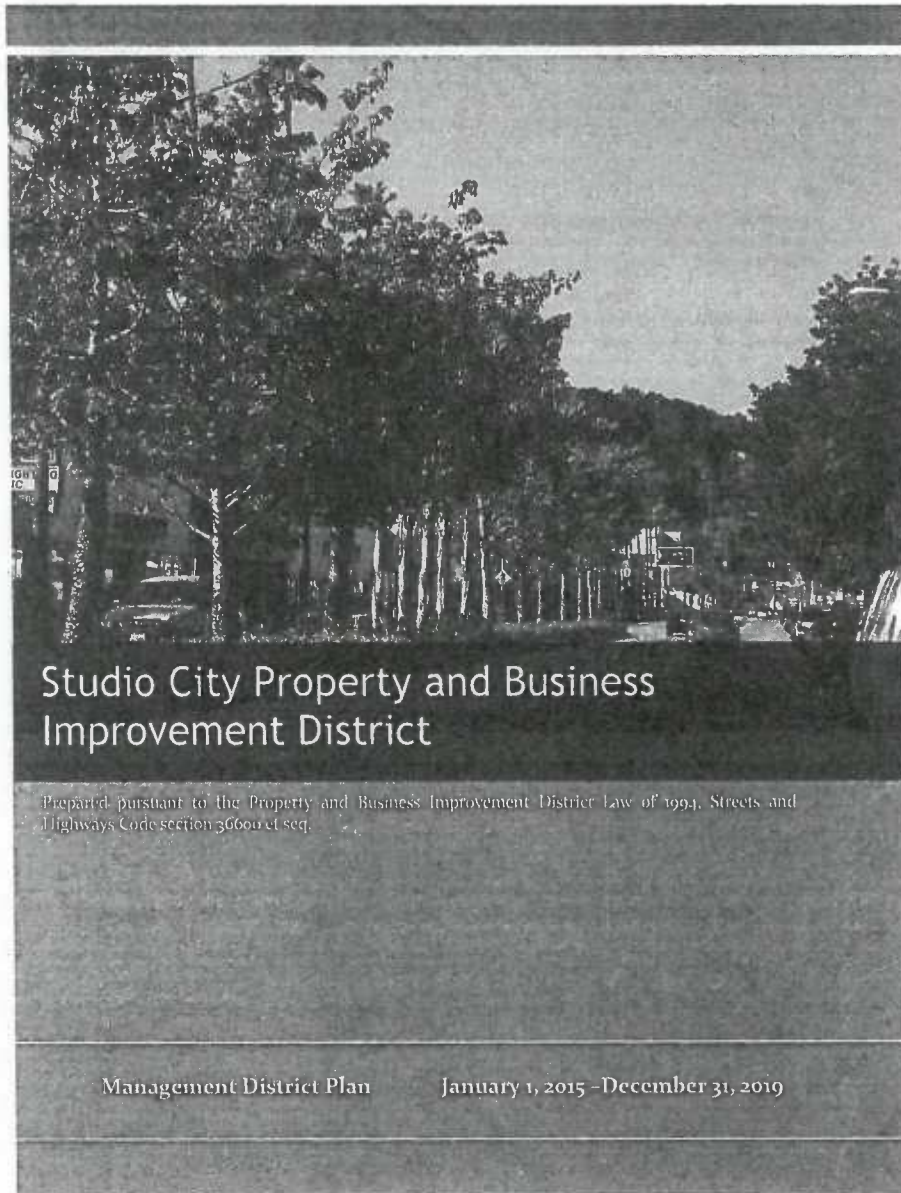
Deputy City Attorney

Date: _____

12-2-14

Council File No. 12-1543

C-125141



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Prepared by
Civitas Advisors Inc.
(800)999-7781
www.civitasadvisors.com
June 12, 2014



Management District Plan

I. OVERVIEW

- Location:** The District includes parcels in Studio City, along Ventura Boulevard between Coldwater Canyon Avenue on the west and Carpenter Avenue on the east on the eastern entrance to the San Fernando Valley, within the City of Los Angeles, California. A detailed description of the boundaries is included in Section III. A boundary map is included in Appendix 3.
- Services:** The services provided include cleaning, beautification, marketing, streetscape and capital improvements, and administration. An extensive clean and beautiful program will sweep and pressure wash sidewalks, prune trees and remove weeds from tree wells, and provide landscaping service to medians. A marketing program will promote the District to potential customers and tenants. The District will also conduct occasional streetscape and capital improvement projects, management of parking issues, and support the needs of the individual assessed parcels. If funds allow, the District will also implement safety enhancements. Further detail on services is provided in Section IV.
- Budget:** The total District assessment for the initial year of its five-year operation is anticipated to be \$450,399.35. The assessment may be subject to an increase of no more than four percent (4%) per year. The assessment funding will be supplemented by non-assessment funds so that the annual service plan budget for the initial year of the District's five-year operation is anticipated to be \$488,290.71.
- Cost:** Annual assessments are based upon an allocation of program costs by benefit zone, parcel size (square footage), and street frontage (linear footage). The initial annual parcel assessment rates are below. Per year maximum rates are described in Section V.

Assessment Variable	Zone 1	Zone 2
Parcel square footage	\$0.035/sq. ft.	\$0.018/sq. ft.
Linear frontage along Ventura Blvd.	\$19.25/lin. ft.	N/A
Linear frontage along other streets	\$5.77/lin. ft.	\$1.92/lin. ft.

- Renewal:** The SCPBID renewal is a two-step process. First, petitions signed by District property owners representing at least 50% of the total assessment to be levied must be secured. Second, property owners will be sent a ballot to vote on the District renewal. Returned ballots in support of the District renewal must outweigh those in opposition based on the amount of assessment to be levied.
- Duration:** The SCPBID will have a five-year life beginning January 1, 2015 and ending December 31, 2019. Prior to expiration, the petition process, ballot process, and City Council hearing process must be repeated for the SCPBID to again be re-established.

II. HISTORY



western movies. In 1963, CBS Television Network purchased the studio.



The Studio City Property and Business Improvement District (SCPBID, PBID or District), located on the eastern edge of the District, is known throughout the globe. It is home to the historical Sportsmen's Lodge Hotel, CBS Studio Center film complex, the Studio City Walk of Fame and over 300 restaurants and retailers. In 1926, the King of Comedy Mack Sennett selected the area to be the location of his new production studio. Upon completion of the construction in 1928, the area became known as Studio City. In 1935 it became Republic Studios, most notable for its famous

At the western edge of the Studio City PBID is the Sportsmen's Lodge Hotel. It was established in the 1880's and is considered a San Fernando Valley historical landmark. It's most notable feature besides a hotel, banquet and restaurant facilities, is a famous pond that many Studio City residents recall fishing there as young children. Historically, celebrities such as Clark Gable, Bette Davis, and John Wayne were known to spend time there, just to name a few. Today, it continues to thrive as a destination.

CBS Studio Center today is a full service television production studio. The primary use is as a production rental facility. In fact, although the facility is owned by CBS, the facility is not limited to CBS productions. Productions filmed on the lot are broadcasted on various television channels. During peak production periods, there may be as many as 5,000 people working on the lot, including employees of CBS, cast and crew of the many productions.

In between the Sportsmen's Lodge and CBS Studio Center lies the heart of the Studio City PBID showcasing an array of commercial retailers, including many high-end shops, that when combined with the Sportsmen's Lodge and CBS Studio Center, form what is identified as the "cohesive commercial fabric" of the Studio City PBID.

Originally formed in 1999, the District has a successful history of providing special benefits to individual assessed parcels within the District. As a testament to the benefit provided, parcel owners have voted to renew the District on two separate occasions, in 2003 and 2008. The District is now approaching the end of its third five-year term that began in 2009. Parcel owners again desire to renew the District and continue the programs that have been demonstrably successful in providing special benefits to their parcels.



III. PURPOSE

Developed by the Studio City Business Improvement District Renewal Committee, the Studio City Business Improvement District Management District Plan is proposed to improve and convey special benefits to properties located within the Studio City Business Improvement District area. The District will provide new and continued programs, services and improvements, including Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking and Safety Improvements. Each of the programs is designed to meet the goals (PBID Goals) of the district; to maintain and improve the commercial core by providing Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking and Safety Improvements and to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries.

Commercial Core of Studio City

The commercial parcels fronting Ventura Blvd. from the Sportsmen's Lodge at Coldwater Canyon Avenue to the CBS Studio Center at Ventura Boulevard and Carpenter Avenue are the commercial core of Studio City. This commercial core is the center of the main economic development activity of Studio City. It showcases an array of commercial retailers, including many high-end shops, that when anchored to the Sportsmen's Lodge and CBS Studio Center, form the "cohesive commercial fabric" of the Studio City PBID. This main commercial core of Studio City mostly includes one parcel deep parcels fronting Ventura Boulevard because the parcels to the north and south are primarily residential with no commercial activity. The boundaries include parcel types that will specially benefit from the Studio City PBID services, programs and improvements including retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot parcels (hereinafter "Assessed Parcel Types"). These Assessed Parcel Types comprise the commercial core of Studio City. The boundaries were chosen to include the parcels that will specially benefit from the BID services of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot parcels are designed to attract a particular market demographic of clientele as consumers to the Studio City PBID boundaries.

The assessed parcels are an essential part of the cohesive commercial center of economic activity of Studio City and seek to attract consumers with "higher income," which are defined as the "desired market demographic" for the Studio City PBID. The goal of the Studio City PBID is to maintain and improve the commercial core by providing Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking and Safety Improvements to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. Assessed commercial parcels that receive PBID programs, services and improvements attract more customers, increase commerce, commercial rental income, commercial occupancies and improve the overall economic vitality of the BID by deterring crime, reducing litter and debris, all considered detractions to commerce commercial occupancy rates and economic vitality. The City of Los Angeles does not provide these programs and services. In the case of the District, the very nature of the purpose of this District is to fund supplemental programs, improvements and services to assessed parcels within the SCPBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. All benefits derived from the assessments to be levied on assessed parcels within the SCPBID are for

services, programs and improvements directly benefiting each individual assessed parcel within the SCPBID. No BID funded services, activities or programs will be provided outside of the SCPBID boundaries.

The purpose of the Studio City PBID is to attract pedestrians, employees and visitors that will become consumers and contribute to the overall economic vitality of the individual assessed parcels of the Studio City PBID, thereby providing special benefits to all of the assessed parcels. The Studio City PBID boundaries were selected because these parcels will special benefit from the programs, improvements and services of the PBID and they comprise the commercial core where the main economic activity of Studio City is centered. The desired market demographic includes pedestrians, employees, visitors and consumers with high income. According to City-Data.com, the median household income for Studio City residents in 2011 was \$96,407, well above the California median income of \$57,287. Although the Studio City PBID's efforts will be to attract its desired market demographic from within Studio City, the market demographic will also include visitors and celebrities. Many of the businesses within the boundaries of the district cater to the desired demographic which contributes to the cohesive commercial fabric of the Studio City PBID. Furthermore, celebrities have been sighted many times in the Studio City PBID, adding to its status and identity.



The Studio City PBID's programs, services and improvements are vital to the economic success of the District. What once was a barren area (see historical photo on left) has been transformed over the years to an urban oasis that includes numerous tree



plantings and lush medians (see current Studio City PBID photo on right). Without the Studio City PBID, these parcels would not receive these services that are vital to their economic success and vitality. The services are a special benefit to the assessed parcel types because graffiti, trash, dirty sidewalks, and unkempt medians deter commerce.

The District parcels all share the PBID Goals to maintain and improve the commercial core by providing Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking and Safety Improvements and to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. The services are a special benefit to the assessed parcel types because graffiti, trash, dirty sidewalks, and unsightly medians deter commerce.

Assessed commercial parcels that receive these programs, services and improvements attract more customers, increase commerce, commercial rental income, commercial occupancies and improve the overall economic vitality of the BID by deterring crime, reducing litter and debris, all considered detractions to commerce commercial occupancy rates and economic vitality. The City of Los Angeles



does not provide these programs and services. In the case of the District, the very nature of the purpose of this District is to fund supplemental programs, improvements and services to assessed parcels within the SCPBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. All benefits derived from the assessments to be levied on assessed parcels within the SCPBID are for services, programs and improvements directly benefiting each individual assessed parcel within the SCPBID. No BID funded services, activities or programs will be provided outside of the SCBID boundaries.

IV. BOUNDARIES

Article XIID Section 4(a) of the State Constitution requires that the authorizing agency "identify all parcels which will have special benefit conferred upon them and upon which an assessment will be imposed." The boundaries of the Studio City Business Improvement were selected because they encompass the commercial corridor primarily along Ventura Boulevard that will specially benefit the assessed parcels with the overall intention of improving commerce and economic vitality within the PBID.

Area

The Studio City Business Improvement District encompasses approximately 20 blocks in Studio City at the southeastern area of the San Fernando Valley, within the City of Los Angeles, California. The Studio City PBID boundaries begin at Coldwater Canyon Avenue and Ventura Boulevard on the western edge of the boundary and travel eastward along Ventura Boulevard to Carpenter Avenue to the eastern edge of the District at Carpenter Avenue and Ventura Boulevard. The northern boundary begins at the north side of the parcels that front Ventura Boulevard from Coldwater Canyon Avenue, continuing past to Whitsett Avenue and includes all parcels south of the Los Angeles River. The northern boundary continues along Ventura Boulevard to include all commercial parcels fronting Ventura Boulevard from Whitsett Avenue to Laurel Grove Avenue. The boundary continues along Ventura Boulevard to include all parcels along Ventura Boulevard south of the Los Angeles River to Laurel Canyon Boulevard, continuing then with all commercial parcels facing Ventura Place from Laurel Canyon Boulevard to Radford Avenue, and then continuing with all commercial parcels facing Radford Avenue from Ventura Boulevard to Valleyheart Drive. The eastern-most boundary begins with the CBS Studio Center parcel abutting the southern border of the Los Angeles River at Colfax Avenue and follows that parcel's property line to then include all four parcels facing the intersection of Carpenter Ave and Ventura Boulevard. The southern-most boundary consists of all commercial parcels facing Ventura Boulevard from Carpenter Avenue on the east to Coldwater Canyon Avenue on the west, including all commercial parcels just south of Ventura Boulevard and commercial parcels that front Laurel Canyon boulevard. All property described above are the approximate boundaries included in the Studio City PBID. A detailed description of the boundaries is described below.

A. Boundaries

Beginning at the northwest corner of Assessor's Parcel Number (APN) 2375-021-022 (Map ID 225), then east along the northern boundary of parcels fronting the north edge of Ventura Boulevard, across Whitsett Avenue, Rhodes Avenue, and Laurelgrove Avenue to the northwest corner of APN 2367-017-900 (Map ID 29), east along the northern boundary of said parcel, and continuing east along the northern boundary of parcels fronting the north edge of Ventura Boulevard to the northwest corner of the western portion of APN 2367-015-001 (Map ID 1). East along the northern boundary of said parcel, and continuing east along the northern boundary of parcels fronting the north edge of Ventura Boulevard to the northwest corner of APN 2367-016-004 (Map ID 4). East along the northern boundary of said parcel, then east along the northern boundary of APN 2367-016-006 (Map ID 6) to the northwest corner of the eastern portion of APN 2367-015-001 (Map ID 1). East along the northern boundary of said parcel to Laurel Canyon Boulevard, then east across Laurel Canyon Boulevard to the south edge of Valleyheart Drive.



East along the south edge of Valleyheart Drive to the northeast corner of APN 2368-002-018 (Map ID 84), then south along the south edge of the alley between Ventura Place and Hoffman Street to a point opposite the southwest corner of APN 2368-002-033 (Map ID 85). North along the western boundary of parcels fronting the west edge of Radford Avenue to the northwest corner of APN 2368-003-001 (Map ID 96), then east along the northern boundary of said parcel to Radford Avenue. Northeast across Radford Avenue to the northwest corner of APN 2368-005-011 (Map ID 99), then east along the northern boundary, south along the eastern boundary, and west along the southern boundary to a point opposite the northeast corner of APN 2368-006-024 (Map ID 118). South along the eastern boundary of parcels fronting the east edge of Carpenter Avenue, across Ventura Boulevard, to the southeast corner of APN 2369-027-031 (Map ID 211). Northwest along the southwestern boundary of parcels fronting the southwest edge of Ventura Boulevard to the southwestern corner of APN 2369-015-015 (Map ID 183), then south along the eastern boundary of APNs 2369-015-015 (Map ID 182) and 2369-015-006 (Map ID 180), and continuing west along the southern boundary of said parcel to Laurel Canyon Boulevard. North along the east edge of Laurel Canyon Boulevard to a point opposite the southeast corner of APN 2369-014-001 (Map ID 169).

West along the southern boundary of parcels fronting the south edge of Ventura Boulevard to the southeast corner of the eastern portion of APN 2369-014-010 (Map ID 178), then west along the southern boundary of the eastern portion of said parcel, continuing west along the southern boundary of APN 2369-014-009 (Map ID 177), and continuing west along the southern boundary of the western portion of APN 2369-014-010 (Map ID 178) to Vantage Avenue. North along the east edge of Vantage Avenue to a parcel opposite the southeast corner of APN 2369-004-046 (Map ID 168), then west along the southern boundary of parcels fronting the south edge of Ventura Boulevard, across Laurelgrove Avenue, Rhodes Avenue, Laurel Terrace Drive, Fairway Avenue, Goodland Avenue, and Alcove Avenue, to Coldwater Canyon Avenue. North along the east edge of Coldwater Canyon Avenue, across Ventura Boulevard, to the northwest corner of APN 2375-021-022 (Map ID 225), the point of beginning.

B. Benefit Zones

The District parcels are divided into two benefit zones. Zone 1 includes all parcels fronting Ventura Boulevard, Laurel Canyon Boulevard, or Ventura Place, which have the heaviest level of pedestrian and vehicular traffic. All other parcels are Zone 2. Zone 2 parcels (parking lots and CBS Studio Center) are separated because they do not have street frontage along Laurel Canyon Boulevard, Ventura Place or Ventura Boulevard, which are the heavily traffic corridors of the PBID. Zone 2 parcels have less need for services than Zone 1 parcels because they are not as heavily trafficked by pedestrians and vehicles, require less landscaping services and are accessible only via service streets. The parcels share the PBID Goals to maintain and improve the commercial core by providing services, programs and improvements to the PBID to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. The parking lots will benefit from increased patronage and CBS Studio Center will benefit from commercial rentals. These services are designed to attract customers of the desired market demographic. The services are a special benefit to the assessed parcels in both zones because graffiti, trash, dirty sidewalks, and unkempt medians deter commerce.

Each Zone will receive services tailored to meet the needs of those parcels, as described in Section IV of this Plan. Zone 1 and 2 will share the Administration and Contingency/Uncollected Assessment expenses proportionately with their assessments.

C. Boundary Rationale

The Studio City PBID boundaries are comprised of the commercial core parcels where the main economic activity of Studio City is centered. The commercial parcels fronting Ventura Blvd. from the Sportsmen's Lodge at Coldwater Canyon Avenue to the CBS Studio Center at Ventura Boulevard and Carpenter Avenue are the heart of the commercial core of Studio City. These parcels showcase an array of commercial retailers, including many high-end shops, that when combined with the Sportsmen's Lodge and CBS Studio Center, form what is labeled as the "cohesive commercial fabric" of the Studio City PBID. The Sportsmen's Lodge serves as the west anchor to the District and CBS Studio Center as the east anchor to the District.

The boundaries include parcel types that will specially benefit from the Studio City PBID activities and services and are a mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot parcels which comprise the commercial core of Studio City. The assessed parcels are a part of the cohesive commercial fabric of Studio City which seeks to attract the targeted the consumer demographic and to improve and maintain their economic success to remain vital and occupied. These parcels were chosen to be included in the PBID boundaries because they will specially benefit from the district programs, services and improvements and are a part of the Studio City commercial center fronting Ventura Boulevard. Surrounding parcels zoned solely residential, residential use and zoned agricultural have not been included within the boundaries of the PBID. These parcels will not specially benefit from the PBID programs, improvements and services which are designed to improve commerce and economic vitality. These parcels care for their own beautification and don't have a desire to attract or increase pedestrian of vehicular traffic and therefore will not specially benefit from the PBID services.

The services to be provided by the SCPBID are all designed to contribute to the cohesive commercial fabric and to ensure economic success and vitality of the District. The assessed parcels in the PBID will specially benefit from the District programs in the form of increasing commerce and improving economic success and vitality through meeting the PBID Goals: to improve safety, sanitation, beautification, landscaping, and to attract and retain businesses and services, and ultimately to increase commerce and improve the economic viability of each individual assessed parcel.

The property uses within the boundaries of the PBID are a unique mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot (the "Assessed Parcel Types"). The Assessed Parcel Types are unique in that they are entirely commercial, entertainment, or parking in nature. The entertainment parcels specially benefit from the programs and services because the programs, services and improvements create a desirable place to do business that attract potential tenants to rent and utilize the studio facility. The programs, services and improvements benefit the studio by providing a desirable commercial location for their employees and tenants. The hotel will specially benefit because the BID programs will attract more visitors and patrons. The retail, grocery and auto service parcels will specially benefit because the well-manicured District will provide an attractive environment to attract consumers. The parking parcels will also specially benefit because the parking availability will attract vehicular customers and



revenue. The programs will maintain the area to attract commercial tenants and maintain lease rates for office parcels.

All of the Assessed Parcel Types will specially benefit from the programs, services and improvements of the Studio City PBID designed to increase commerce and economic vitality. Zone 1 is comprised of parcels fronting Ventura Boulevard, Ventura Place and Laurel Canyon Boulevard. There is a higher need for programs, services, and improvements in Zone 1 of the District because of the high volume of commercial activity, pedestrian traffic, vehicular traffic and require streetscape, capital and landscaping. Further, Ventura Boulevard and Laurel Canyon Boulevard and portions of Ventura Place are wide streets with center medians and will require landscaping and improvements. Therefore, Zone 1 parcels will receive a greater level of special benefits from the Districts programs, services and improvements. Parcels in Zone 2 do not front these streets; they have less pedestrian and vehicular traffic and do not require the same level of services as Zone 1. Parcels in Zone 2 do not have street frontage along Laurel Canyon Boulevard, Ventura Place or Ventura Boulevard and therefore do not benefit from the same degree of services. The services and assessment rate have been reduced in Zone 2 to reflect the different degree of benefit. The parcels surrounding the District do not front Ventura Boulevard, Ventura Place or Laurel Canyon Boulevard and will not specially benefit; are not assessed and are not part of the cohesive commercial center of Studio City.

Northern Boundary

Parcels beyond the northern boundary will not specially benefit because they are not part of the commercial core of the District. The northern boundary of the PBID includes commercial parcels one parcel deep fronting Ventura Boulevard from Coldwater Canyon Avenue to Laurelgrove Avenue. The boundary is one parcel deep to include all of the parcels that front Ventura Boulevard and will specially benefit from enhancement of and services provided along Ventura Boulevard. Parcels to the north are not included in the District boundaries because they are not commercial in nature and they are not part of the Studio City center of economic activity which fronts Ventura Boulevard and they would not benefit from the PBID Goals designed to improve commerce and economic vitality of Studio City's commercial core.

Along Ventura Boulevard between Coldwater Canyon Avenue and Whitsett Avenue, the PBID parcels are bordered on the north by the Los Angeles River Greenway Park, which, as discussed above, does not share the PBID Goals and would not benefit from the services; thus, it is not assessed. The parcels located to the north of the assessed parcels in the PBID are comprised of the Los Angeles River, which provides a natural barrier. Additionally, parcels located north of the river are comprised of parcels that are solely residential or a golf course, which is zoned agricultural. The Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, "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."

Along Ventura Boulevard between Whitsett Avenue and Laurel Grove Avenue, the District is bordered on the north by parcels that do not share the cohesive commercial fabric of the PBID and therefore not included in the PBID. It is primarily comprised of a large public storage warehouse, private parking areas, and a few non-retail commercial businesses. As discussed above, these parcels do not share the cohesive commercial fabric of the PBID, nor do they share the PBID Goals; thus, they are not included in the PBID because they do not attract pedestrians, employees or visitors to

the PBID. They are also located on a very narrow street equivalent to the 30 foot width of the PBID alleys.

Along Ventura Boulevard from Laurelgrove Avenue to Laurel Canyon Boulevard, the boundary is the Los Angeles River Greenway Park. As discussed above, the Park does not have a commercial component and does not share the PBID Goals to increase commerce and improve the economic viability, would not benefit from the services, and therefore will not be assessed. The remaining parcels between Ventura Boulevard and the Park are assessed because they receive special benefit from PBID services. There are five parcels in this block which do not face Ventura Boulevard; however, because the only access to those five parcels is via Ventura Boulevard, they are a part of Studio City's commercial core and will receive a special benefit from the services to be provided. These five parcels are all parking lots for a cohesive shopping center that spreads across parcels in Zone 1 and Zone 2; upon physical inspection of the Zone 2 parcels, it is not possible to distinguish that they are separate parcels. These five parcels have been designated Zone 2 parcels because they do not front Ventura Blvd. and therefore do not receive the same level of services as parcels fronting Ventura Blvd. The Zone 2 parcels do not pay Ventura Boulevard frontage, and pay a lower square foot rate commensurate with the benefits received by each individual assessed parcel, as described in the Engineer's Report.

From Laurel Canyon to Radford Avenue the boundary is one parcel deep of commercial parcels fronting Ventura Place. The boundary is one parcel deep because all of these parcels front Ventura Place and are part of the commercial center of Studio City and will therefore benefit from PBID services that will enhance and be provided along those streets and sidewalks. Parcels north of Ventura Place between Valleyheart Drive and Radford Avenue (except the two Zone 2 parcels as later discussed) are residential uses and do not face a serviced street. As discussed above, these parcels do not share the uniquely cohesive nature of the assessed parcels, nor do they share the PBID Goals of improving commerce; thus, they would not benefit from the services.

Additionally, parcels located north of the river are comprised of parcels that are solely residential or a golf course, which is zoned agricultural. To the north of the assessed parcels, there is an alley that serves as a natural barrier. Further to the north, there are only R-3 residentially zoned parcels. The Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, "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."

The northern boundary extends to Valleyheart Drive along Radford Avenue on the east side, and includes two commercial parcels (APN 2368-002-033 and APN 2368-003-001) on the west side of Radford Avenue. The two parcels on the west side of Radford Avenue are included in the District because they are commercial and are part of the Studio City's commercial center. The remaining parcels along the western side of Radford Avenue are zoned RAS4-1. Those parcels are not included in the District because their use is solely residential, and they do not share the PBID Goals to increase commerce and improve the economic vitality; therefore they are not included in the District.

At Radford Avenue and Valleyheart Drive, the northern boundary extends across the Los Angeles River Parkway to include the front and entire CBS Studio Center film complex parcel that fronts



Radford Avenue. This large parcel along the eastern side of Radford Avenue (APN 2368-005-01) will specially benefit from the programs and services and shares the PBID Goals to increase commerce and economic vitality via attracting desirable tenants and employees. Because the main entrance to the Studio is at 4024 Radford Avenue, it does not receive the same benefit as Zone 1 parcels because it does not front Ventura Boulevard. This parcel is a Zone 2 parcel.

The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

Eastern Boundary

Parcels beyond this boundary will not specially benefit because they are not part of the commercial core of the District and service a different clientele demographic outside of the District boundaries. The eastern boundary of the PBID is the eastern corner of Carpenter Avenue. The north-eastern boundary is the edge of the Studio City film complex which extends to Colfax Avenue. This boundary was chosen to include all of the parcels that share the cohesive commercial center of Studio City and market demographic of the Studio City BID. Parcels on all four sides of the corner of Carpenter Avenue and Ventura Boulevard are included in the District boundaries because they are part of the Studio City commercial center and have high pedestrian traffic from the Studio City film lot to the parcel located on the southeast corner of Carpenter Avenue and Ventura Boulevard which is mostly occupied by the Studio City film complex legal personnel. The boundary does not include parcels east of the Carpenter Avenue intersection because those parcels are not part of the cohesive commercial fabric that shares the PBID Goals. The environment and types of businesses present to the east of Carpenter Avenue are different and attract consumers of a different marketplace demographic orientation with lower income. Examples of businesses located to the east of the PBID boundary are the US Probation and Parole office, a marijuana shop and two small motels that do not have a pool or appear on any hotel-type website. These types of businesses are not part of the cohesive commercial fabric of the PBID and do not share the PBID goals. Therefore, they are not included in the boundaries of the District and will not specially benefit from the PBID services. The adjacent portion of the Film Lot parcel east of Carpenter Avenue is included because the parcel benefits from services to be provided up to Carpenter Avenue and the parcel cannot be divided in two for assessment purposes.

The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

Southern Boundary

The southern boundary of the PBID is one parcel deep along Ventura Boulevard between Coldwater Canyon Avenue and the western side of Vantage Avenue. Parcels beyond this boundary will not specially benefit because they are not part of the commercial core of Studio City. The boundary is one parcel deep because parcels south of the boundary are used solely as residential properties. Between Whitsett Avenue and Vantage Avenue, there is also the additional barrier of the alley that separates the PBID from the residential neighborhood. All of the parcels that front Ventura Boulevard will benefit from enhancement of that street and share the PBID Goals. Parcels south of those fronting Ventura Boulevard are zoned solely residential and because they do not have a commercial component, they do not share the PBID Goals to increase commerce and improve the economic vitality; therefore they are not assessed.

Along Ventura Boulevard between Vantage Avenue and Laurel Canyon Boulevard, the boundaries include all parcels comprising one large contiguous shopping area occupied by a single shopping center spanning several parcels. The shopping center shares the PBID Goals and will specially benefit from the programs, services and improvements designed to improve commerce and economic vitality. The point south of the shopping center zoned solely residential and is not part of the cohesive commercial center of the PBID and therefore is not included in the District boundaries. There is one commercially zoned parcel that is not part of the Studio City cohesive commercial center. This parcel is located south of the shopping center fronting Laurel Canyon Boulevard and is used as a medical facility. This parcel does not share the cohesive commercial fabric of the assessed parcels because the PBID Goals do not focus on medical facilities. It will not specially benefit from the PBID programs, services and improvements designed to increase commerce and economic vitality of parcels in the Studio City commercial center. There is one commercial parcel that fronts Vantage Avenue (Map ID 178) which is part of the District because it is part of the shopping center. There is also one parcel in the shopping center (Map ID 177) which is used as parking and therefore has been designated Zone 2 because it does not have Ventura Boulevard frontage, but is surrounded by parcels facing parcels that are part of the shopping center.

Fronting along Ventura Boulevard from Laurel Canyon Boulevard to Radford Avenue, the boundaries include commercial parcels that share the PBID Goals and are a part of the cohesive commercial core of the Studio City District. The District boundary is one parcel deep (except Map ID 182 as discussed below) along Laurel Canyon Boulevard between Valleyheart Drive and Ventura Boulevard. The District boundary ends at the solely residential parcels on Laurel Canyon Boulevard, which as discussed above do not have a commercial component and do not share the PBID Goals to increase commerce and improve the economic vitality; therefore, they are not assessed. There is one parcel in this area (Map ID 182) which does not front Ventura Boulevard or Laurel Canyon Boulevard, but is assessed as part of Zone 2 because the means of access is via Laurel Canyon Boulevard and it is part of the shopping center, and will receive special benefits as described in the Engineer's Report. Fronting along Ventura Boulevard between Radford Avenue and the south-eastern corner of Carpenter Avenue, the boundary continues one parcel deep along Ventura Boulevard. The boundary is one parcel deep because parcels south of the boundary are zoned solely residential and will not specially benefit from the PBID programs and services. All of the parcels that front Ventura Boulevard will benefit from enhancement of that street and share the PBID Goals. Parcels south of those fronting this section of Ventura Boulevard either have solely residential or school zoning, as there is a Carpenter Charter Elementary School behind the commercial parcels. The school's entrance is accessed via Carpenter Avenue and no entrance to the school fronts either Ventura Boulevard or Laurel Canyon Boulevard and will not specially benefit from the programs and services designed to improve commerce and economic vitality. Because these residential and school parcels are not commercial and do not share the PBID Goals, they will not specially benefit and will not be assessed. The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

Western Boundary

Parcels beyond this boundary will not specially benefit because they are not part of the commercial core center of the Studio City District. The western boundary of the PBID is the eastern side of Coldwater Canyon Avenue. As part of this renewal the boundary has been extended to Coldwater Canyon Avenue. Because Coldwater Canyon Avenue is a major thoroughfare with minimal



pedestrian traffic crossing into or out of the District, it serves as a physical and perceivable boundary that separates the assessed parcels from that west of Coldwater Canyon Avenue. The parcels west of Coldwater Canyon Avenue do not share the cohesive commercial fabric of the PBID and are not the same as the Assessed Parcel Types, rather they have a mixture of types of uses including four blocks that are zoned solely residential along Ventura Boulevard on the south side of the street, thus parcels West of Coldwater Canyon Avenue are not included in the District. These parcels attract a different demographic clientele. The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

The District boundary includes 248 parcels. The District boundary is illustrated by the overview map on Appendix 3. Parcels in the map in Appendix 3 are identified by Map ID numbers corresponding to the Assessor's Parcel Numbers, which can be found in Appendix 2. A larger map is available on request by calling (818) 655-5377. If the ownership, size, or zoning of a parcel changes during the term of this District, the assessment calculation may be modified accordingly, pursuant to Government Code 53750.

V. SERVICE PLAN

Assessed parcels that receive the PBID services, programs and improvements as described below will specially benefit because they are designed to attract more customers, visitors and employees, thereby increasing customers and economic vitality to the individually assessed parcels within the PBID boundaries. These services improve commerce and economic vitality by deterring crime, reducing litter and debris, all considered detractions to commerce, and economic vitality.



The property uses within the boundaries of the PBID are a unique mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot. These Assessed Parcel Types are unique in that they are entirely commercial, entertainment, or parking in nature. The entertainment parcels specially benefit from the programs and services because the programs, services and improvements create a desirable place to do business that attract potential tenants to rent and utilize the studio facility. The programs, services and improvements benefit the studio by providing a desirable commercial location for their employees and tenants. The hotel will specially benefit because the BID programs will attract more visitors and patrons. The retail, grocery and auto service parcels will specially benefit because the well-manicured District will provide an attractive environment to attract consumers. The

parking parcels will also specially benefit because the parking availability will attract vehicular customers and revenue. The programs will maintain the area to attract commercial tenants and maintain lease rates for office parcels. For the retail, office, grocery, bank, auto service, attractions, entertainment office, parking, hotel and film lot uses within the District, each of these uses and assessed parcels specially benefit from BID funded programs and services through increased commerce, commercial rental income, commercial occupancies and overall economic vitality of the District. BID funded landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements enhance each assessed parcel by improving cleanliness, sanitation, beautification, safety, parking, business attraction and retention, and commerce for its business tenants, employees, customers, clients and visitors.

Landscaping, Sanitation, and Beautification

Of the services described below, Zone 1 will receive Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, tree trimming and landscaping services. Zone 2 will receive Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming services. Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones.

Sanitation Personnel: Sanitation personnel will collect and remove litter, including sidewalk and gutter weed removal. All individual assessed commercial, entertainment and parking parcels located within the boundaries of the District will receive these services. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and help meet the PBID Goals by increasing



cleanliness and encouraging increased patronage and commerce on each individual assessed parcel because dirty sidewalks are deterrent to customers.

Trash Disposal: The District services trash receptacles in the district. The trash receptacles are located on the sidewalk throughout the District and will benefit all of the individual assessed commercial, entertainment and parking parcels within the boundaries of the District. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and thereby encouraging increased patronage and commerce on each individual assessed parcel because trash is a deterrent to customers.

Sidewalk Cleaning: Sidewalks will be pressure washed throughout the District. All individual assessed commercial, entertainment and parking parcels within the boundaries of the District receive this special service. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and thereby encouraging increased patronage and commerce on each individual assessed parcel because dirty sidewalks are a deterrent to customers.

Graffiti Removal: The District will continue to provide graffiti removal services in the District. All individual assessed commercial, entertainment and parking parcels within the PBID will receive this benefit. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and thereby encouraging increased patronage and commerce on each individual assessed parcel because graffiti is a deterrent to customers.

Tree Trimming: The District will provide tree trimming services. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and improving landscaping and thereby encouraging increased patronage and commerce on each individual assessed parcel because trimmed palm trees prevent berries from falling to the ground and littering and staining the sidewalk.

Landscaping Services: The District will continue to provide landscaping and weed removal services in the District. All individual assessed commercial, entertainment and parking parcels in Zone 1 will benefit from this service. Parcels in Zone 2 will not receive nor be assessed for this service. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type in Zone 1 and meet the PBID Goals by increasing cleanliness and improving landscaping and thereby encouraging increased patronage and commerce on each individual assessed parcel. This service will



specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and improving landscaping and thereby encouraging increased patronage and commerce on each individual assessed parcel because landscaping services create an inviting environment that attracts customers.

Marketing

Of the marketing services described below, both Zone 1 and 2 will receive website presence, other marketing promotions and the newsletter. Only Zone 1 will receive holiday decorations. Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones.

A marketing program will be implemented to promote the image of Studio City, attract and increase pedestrian and vehicular traffic, and promote the use of the Studio City Public Parking Structure. This marketing program helps meet the goals of business and service attraction and retention and increased commerce. The marketing program may include advertising, website, decorations, parking incentives, periodic shuttle services, or other promotions. Parcels in Zone 2 will not receive decorations because there are no high traffic areas in Zone 2 parcels and they will not be assessed for that service. The marketing programs will be designed to attract the desired market demographic with the intent to increase the public's awareness of the PBID as a single destination in order to attract consumers to the rich collection of attractions, events, and services which will ultimately lead to increased commerce. For example, the District will publish a newsletter to keep property owners informed of upcoming events and services. Marketing efforts will be designed to meet the PBID Goals of improving the commercial core by implementing programs to attract pedestrians, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. The Owners' Association will continue to use its website to promote the assessed parcels in both Zones of the District in an effort to increase awareness of the District as a destination for consumers and tenants and increase occupancy and commerce on the assessed parcels. This website is designed to provide visitors information about the Studio City Business Improvement District and the Studio City Walk of Fame in order to attract these visitors and draw in more business in from out of the area, to meet the goals of increased commerce and improved economic vitality.

This marketing service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing awareness of each individual assessed parcel as a destination for customers and commercial tenants and making property owners and occupants aware of efforts being undertaken throughout the District, thereby encouraging increased patronage and increasing commerce on each individual assessed parcel of each Assessed Parcel Type because marketing programs attract customers.

Streetscape, Capital, Parking and Safety Improvements



The Streetscape, Capital, Parking and Safety Improvements category is intended to provide special benefits to the Assessed Parcel Types by implementing projects such as streetscape projects (i.e., purchase of trash receptacles or benches), one-time long lasting capital improvement projects (i.e., median construction or alley repaving), parking programs (i.e., parking promotions or periodic shuttle services) or safety improvements or enhancements (i.e., crosswalk improvements, safety personnel, speed feedback signs). By incorporating streetscape, capital, parking or safety



improvements, the District continues to build long-lasting aesthetic enhancements. Funds may not be available to fund all of the above-mentioned examples of projects/programs. In the event sufficient funds are available, the Board of Directors may implement a shuttle or safety program. The District does not currently have a safety or shuttle program. Over time, the projects/programs implemented in this category will benefit each individually assessed parcel by creating long lasting, permanent improvements or services which create a more vibrant district and contribute to the parcels' economic success, economic vitality, and increased commerce.

Of the streetscape, capital parking and safety improvement services described below, Zone 1 will receive capital improvements, streetscape, address parking or safety issues, possible periodic shuttle services and safety enhancements. Zone 2 services will include streetscape projects and address parking or safety issues. Zone 2 does not have medians and therefore will not benefit from median landscaping services. Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones.

Capital improvement projects will specially benefit individual assessed parcels in Zone 1 of the District. This plan does not include capital improvement projects for Zone 2. Zone 2 is not assessed for capital improvement projects. These capital and streetscape projects provide long-lasting improvements that constantly improve the assessed parcels by building on a foundation the Owners' Association set in 1999. These aesthetic enhancements create a special benefit for individual assessed parcels within the PBID by improving the attractiveness of the parcels in an effort to encourage new business growth, development, and increased commerce. The Owner's Association may also need to address safety or parking issues within the District. The Owners' Association will work with property and business owners to identify and resolve issues related to safety or parking in the District. These services will be provided to individual assessed parcels located in Zone 1 of the District. Parcels located in Zone 2 will not receive or benefit from this service because any shuttle services will be provided along street frontage only within Zone 1 of the District. These Streetscape, Capital, Parking and Safety services are intended to provide special benefits to the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by improving beautification, attracting and retaining tenants, and increasing commerce for each individually assessed parcel of each Assessed Parcel Types. These are all special benefits because they increase commerce and add economic vitality. Assessed parcels that receive the streetscape, capital improvements, parking and safety services and programs as described above will specially benefit the assessed parcels by attracting more customers, visitors, employees and tenants thereby improving the economic vitality. These services improve commerce and economic vitality by creating long-lasting streetscape and capital improvement projects that enhance the attraction of the area, parking promotions that will attract more customers to the area, safety enhancements that will improve safety and deter crime, which are designed to increase commerce, and economic vitality.

Administration

Both Zone 1 and Zone 2 will benefit from the administrative services. Both Zone 1 and Zone 2 will benefit from this category. The Owners' Association will continue its administration services by implementing the programs outlined in this Management District Plan for the special benefit of the individual assessed parcels. This effort may also include pursuing opportunities such as applying for grants. The administrator's duties are a special benefit because they implement the PBID Goals, which specially benefit each individual assessed parcel.

Uncollected Assessments/Contingency

Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones. Funds in the Uncollected Assessment Reserve/ Contingency category may be used for City/County collection fees, uncollected assessments, consulting fees, Business Improvement District (BID) renewal fees and additional projects the Owner's Association deems appropriate. This category will ensure that there are sufficient funds to provide PBID services which will in turn result in attracting more customers, visitors, employees and tenants as a result of the SCPBID programs, services and improvements, thereby increasing customers and economic vitality to the SCPBID. The funds from this category will improve commerce and economic vitality by supplementing all the SCPBID programs. Funds in this category may only be expended in any of the categories listed above. Funds in this category will be expended in a manner that is consistent with the PBID Goals. The uncollected assessment and contingency fund will specially benefit each individual assessed parcel of each Assessed Parcel Type because they are necessary to provide the services which specially benefit each individual assessed parcel.

Services by Zone

The services provided in each Zone are commensurate with the assessment in each Zone. The following chart provides a summary of services by zone.

Studio City PBID Summary of Services by Zone

	Zone 1	Zone 2
Landscape/ Sanitation/ Beautification	Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, tree trimming and landscaping services	Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming
Streetscape/ Capital Improvements	Capital improvements, streetscape, address parking or safety issues, periodic shuttle services*, safety enhancements*	Streetscape, address parking or safety issues
Marketing	Holiday decorations, website presence, other marketing promotions and newsletter	Website presence, other marketing promotions and newsletter
Administration	Implement PBID services for the benefit of the parcels	Implement PBID services for the benefit of the parcels
Uncollected Assessments/ Contingency	These funds will be expended proportionally to the services listed above	These funds will be expended proportionally to the services listed above

* If funds become available



VI. ASSESSMENT

A. Methodology

Individual assessable parcels shall be assessed by linear feet of street frontage and square feet of parcel size, according to each parcel's proportionate special benefit derived from the services provided to that parcel in that benefit zone. Each parcel pays 100% of the special benefit derived by the individual parcel. Special circumstances such as a parcels' location within the District and need or frequency for services have been carefully reviewed relative to the specific and distinct type of services and improvements to be provided by the District in order to determine the appropriate level of assessment.

State Law, Proposition 218 and judicial opinions require that assessments be levied according to the estimated special benefit each assessed parcel receives from the activities and improvements. Further clarification from the Golden Hill judicial opinion states that "even minimal general benefits must be separated from special benefits and quantified so that the percentage of the cost of services and improvements representing general benefits, however slight, can be deducted from the amount of the cost assessed against specially benefitting properties". A special benefit as defined in Article XIIIID means a particular and distinct benefit over and above general benefits conferred on real property located in the PBID or the public at large. The general benefit amount of \$20,096.62 has been calculated in the Engineer's Report. For a further definition of special benefits, the Engineer's Report is available from the Owners' Association.

The methodology to levy assessments upon the Assessed Parcel Types uses two variables: linear street front footage and parcel square footage.

In order to assess for the special benefit each parcel receives from the District activities a number of factors enter into the determination of how much weight is to be given to each assessment variable; lot square footage and linear street frontage. The best way to determine each parcels proportionate special benefit from the District programs is to relate each parcel's lot square footage and front footage to every other parcel's lot square footage and front footage.

Special Benefit Factors

The method used to determine proportional special benefits are measured by each parcel's lot square footage plus linear street frontage compared to the total lot square footage and linear street frontage of all parcels in the District boundary. The use of each parcel's assessable lot square footage and linear street frontage is the best measure of benefit for the programs because the intent of the District activities is to improve safety, sanitation, beautification, landscaping, and to attract and retain businesses and services, and ultimately to increase commerce and improve the economic viability of each individual assessed parcel.

Parcel Square Footage Defined: Parcel square footage is defined as the total amount of area within the borders of the parcel. The borders of a parcel are defined on the County Assessor's parcel maps. *Parcel square footage* is an appropriate measure of special benefit because "not all parcels in the District are identical in size... some will receive more special benefit than others." Parcel size is

¹ Dahms v. Downtown Pomona (2009) 173 Cal.App.4th 1201.

relevant to the highest and best use of a parcel and reflects the long-term value implications of the District. Many of the District's services benefit the parcel as a whole, such as marketing, graffiti removal, and landscape maintenance, therefore using parcel size to measure special benefit is appropriate. Additionally, most of the buildings are no more than two stories in height, making lot square footage an equitable variable to use in determining the assessment. Of the total budget, 28.53% of the budget is assessed against gross lot square footage. The use of building square footage as one of the assessment variables is not needed to address the need to spread the assessments equitably because the District does not have a wide variable of density on a parcel.

Linear Street Front Footage Defined: Parcels are assessed for street frontage along all streets. Parcels with more than one street frontage, such as corner lots or whole-block parcels are assessed for the sum of all frontages. Linear front footage was obtained from the County Assessor's parcel maps.

Linear street frontage is relevant to the need for services along streets, sidewalks, and building fronts; and is an appropriate measure of special benefit because not all parcels have the same street frontage. Most of the District's services will be provided along sidewalks and streets, with the heaviest concentration of services along Ventura Boulevard, Ventura Place, and Laurel Canyon Boulevard, thus street frontage relates to measurement of special benefit from the services provided. The most emphasis is placed on each parcel's linear street frontage because the special benefits of landscaping, sanitation, beautification, cleaning, capital and streetscape services are realized by its exposure of frontage on the sidewalk. For example, the special benefit of sidewalk sweeping is directly related to the linear street frontage of each parcel. Therefore, it is the reason why there is the most emphasis on linear frontage. Of the total budget, 71.47% of the budget is assessed against linear street frontage. The second most emphasis is placed on gross lot square footage due to the long-term value impacts of special benefits in the District. The building heights and development types do not vary much within the district.

Apportionment Calculation

	Zone 1	Zone 2	Total	Percent of Budget
Total Parcel (Lot) Square Foot Assessment	\$103,321.51	\$25,159.01	\$128,480.52	28.53%
Total Linear Street Frontage Assessment				
Ventura Blvd. Linear Frontage	\$268,364.25		\$268,364.25	
Other Linear Frontage	\$50,972.18	\$2,582.40	\$53,554.58	
			\$321,918.83	71.47%
Total Assessment Budget			\$450,399.35	

Therefore, the use of linear street frontage and gross lot square footage are the two most equitable variables used to assess the parcels in the District.

Services and improvements provided by the District are designed to provide special benefits to the District's Assessed Parcel Types. The use of each parcel's assessable parcel square footage and linear street front footage is the best measure of special benefit for the programs because the services'



intent is to improve safety, sanitation, beautification, landscaping, and to attract and retain businesses and services, and ultimately to increase commerce and improve the economic viability of each individual assessed parcel. Because of their cohesive commercial nature of having complementary types of businesses and shared PBID Goals, the Assessed Parcel Types all receive and benefit from the PBID services and improvements; the only difference in the benefit received by the Assessed Parcel Types is that caused by a lack of frontage on Zone 2 parcels. The Assessed Parcel Types will all benefit from the services and results, it is thus appropriate to apply the same assessment formula to all parcel types within each benefit zone. Further information on benefits to parcel types and benefit zones is provided in the Engineer's Report.

B. Benefit Zones

The District parcels are divided into two benefit zones. Zone 1 includes all parcels fronting Ventura Boulevard, Laurel Canyon Boulevard, or Ventura Place, which have the heaviest level of pedestrian and vehicular traffic. All other parcels are Zone 2. Zone 2 parcels (parking lots and CBS Studio Center) are separated because they do not have street frontage along Laurel Canyon Boulevard, Ventura Place or Ventura Boulevard, which are the heavily traffic corridors of the PBID. Zone 2 parcels have less need for services than Zone 1 parcels because they are not as heavily trafficked by pedestrians and vehicles, require less landscaping services and are accessible only via service streets. The parcels share the PBID Goals to maintain and improve the commercial core by providing services, programs and improvements to the PBID to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. The parking lots will benefit from increased patronage and CBS Studio Center will benefit from commercial rentals. These services are designed to attract customers of the desired market demographic. The services are a special benefit to the assessed parcels in both zones because graffiti, trash, dirty sidewalks, and unkempt medians deter commerce.

Each Zone will receive services tailored to meet the needs of those parcels, as described in Section IV of this Plan. Zone 1 and 2 will share the Administration and Contingency/Uncollected Assessment expenses proportionately with their assessments.

C. Annual Maximum Assessment Rates

Annual assessments are based upon an allocation of program costs by Zone and a calculation of assessable footage. Two property assessment variables, parcel square footage and street linear footage will be used in the calculation. The maximum assessment rate for each year is below.

Variable	2015		2016		2017		2018		2019	
	Zone 1	Zone 2	Zone 1	Zone 2	Zone 1	Zone 2	Zone 1	Zone 2	Zone 1	Zone 2
Parcel square footage	\$0.035	\$0.018	\$0.036	\$0.019	\$0.038	\$0.02	\$0.04	\$0.02	\$0.04	\$0.02
Linear frontage - Ventura Blvd.	\$19.25	-	\$20.02	-	\$20.82	-	\$21.65	-	\$22.52	-

Linear frontage - Other Streets	\$5.77	\$1.92	\$6.00	\$2.00	\$6.34	\$2.08	\$6.49	\$2.16	\$6.75	\$2.25
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D. Future Development

As a result of continued development, the District may experience the addition or subtraction of assessable square footage or frontage for parcels included and assessed within the District boundaries. The modification of parcels may then change upwards or downwards the amount of total assessment for these parcels. In future years, the assessments for the special benefits bestowed upon the included PBID parcels may change in accordance with the assessment methodology formula listed in this Plan and the Engineer's Report, provided the assessment rate does not change. If the assessment formula changes, then a Proposition 218 ballot will be required for approval of the formula changes, pursuant to Government Code section 53753.

E. Bonds

No bonds shall be issued.

F. Time and Manner for Collecting Assessment

For most parcels, as provided by State law, the District special assessment will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. The City of Los Angeles will directly bill property owners or entities that do not appear on the tax roll. Property tax bills and direct bills are generally distributed in the fall, and payment is expected by lump sum or installments. The County of Los Angeles shall distribute funds collected to the City of Los Angeles. The City of Los Angeles will then disburse the funds to the Owners' Association, pursuant to a contract between the City and Owners' Association. Unpaid assessments will be added to the assessment due for the following year. If a property owner billed by the City fails to pay the amount due in full to the City before the assessment roll for the following tax year is due to the County, the City may place the delinquent assessment and penalties and interest on the tax roll in addition to the current years' assessment. Any delinquent amounts collected by the City are subject to the same penalties imposed on delinquent property taxes as prescribed in the California Revenue and Tax Code.

G. Renewal or Disestablishment

Streets and Highways Code section 36670 provides for the disestablishment, expiration, or renewal of the District. If the District is renewed, any remaining revenues shall be transferred to the new district pursuant to Streets and Highways Code section 36600(b). If the District is not renewed, or is terminated prior to the expiration date, any unexpended and unobligated funds shall be returned to property owners based upon each parcels' percentage contribution to the most recent years' assessments.

H. Interest and Delinquent Payments

Any interest or penalties earned and the amount of any delinquent payments collected shall be added to the budget and apportioned among the budget categories according to the same percentages as the assessments collected.

I. Public Parcels

Proposition 218, also known as "The Right to Vote on Taxes Act," states that "parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit." All parcels in the District receive District services and special benefits from those services and are assessed at the full parcel rate. The publicly-owned parcels within the District are all parking lots. The City owned parking lot (Lot 690) located at 12225 Ventura Boulevard, Studio City, will directly receive and benefit from improved landscaping, sanitation, beautification, streetscape, and marketing services. They will benefit from marketing and promotions because they are pay-to-access lots; the increased awareness of the District will drive visitor traffic, which will cause increased collection of parking fees. All publicly-owned, individually-assessed parcels will receive all of the services provided; therefore, those parcels will be assessed at the full rate.

City of Los Angeles Public Parcels

Map Key	31	30	29
Assessor's Parcel Number	2367017902	2367017901	2367017900
Parcel Size	1780	29948	25199
Frontage Other Streets (lin. ft.)	0.00	0.00	0.00
Frontage Ventura Blvd. (lin. ft.)	10.00	28.00	0.00
Ventura Frontage Assessment	\$192.5	\$539.00	\$0.00
Other Street Frontage Assessment	\$0.00	\$0.00	\$0.00
Parcel Size Assessment	\$62.30	\$1048.18	\$453.58
Zone	1	1	2
Total Assessment	\$254.80	\$1587.18	\$453.58
Use	Parking Lot	Parking Lot	Parking Lot

VII. BUDGET

A. Budget Projections

A projected five-year operating budget for the District is provided below. The overall budget shall remain consistent with this Plan. Each assessed parcel pays for 100% of the special benefit received, based on the level of benefit received. Projections are based on the following assumptions:

1. The cost of providing improvements and services may vary depending on the market cost for those improvements and services. Expenditures may require adjustment up or down to continue the intended level of improvements and services.
2. The Owners' Association shall have the right to re-allocate up to ten percent (10%) of the budget allocation by line item within the budgeted categories. Any change will be approved by the Owners' Association's Board of Directors and submitted with its annual report pursuant to Streets and Highways Code section 36650.
3. The total annual District assessment budget for 2015, which is funded by property assessments, is \$450,399.35. The assessment funding will be supplemented by \$31,465.79 of non-assessment funds (General Benefit) so that the annual service plan budget for the initial year of the District's five-year operation is anticipated to be \$481,865.14. (See Engineer's Report for details on (General Benefit) non-assessment funds.)
4. The assessment amount may be subject to an increase in the assessment rate of no more than four percent (4%) per year. Increases will be determined by the Owners' Association and will vary between 0 and 4% in any given year. Any assessment increase will be included in the Annual Planning Report for City Council consideration. The projections in Section D below illustrate the maximum 4% annual increase for all budget items.

The cost of providing each of the budget components was developed from actual experience obtained providing these same services since 1999, and quotes from vendors for provisions of new services.

B. Budget

Funds may only be spent on improvements and activities provided in the Benefit Zone from which the funds were derived. The assessment budget for the initial year, broken down by Benefit Zone, is shown below.



PBID Categories and Percentage of 2015 Service Budget

Expenditures	% of Budget	42% Landscaping, Sanitation, Beautification	23% Streetscape/ Capital Improvements	12% Marketing	18% Administration	5% Uncollected Assessments/ Contingency	Total Budget
Zone 1	93.84%	\$192,449.04	\$105,388.76	\$54,985.44	\$82,478.16	\$22,910.60	\$458,212.00
Zone 2	6.16%	\$12,633.06	\$6,918.10	\$3,609.44	\$5,414.17	\$1,503.94	\$30,078.71
TOTAL EXPENSES	100%	\$205,082.10	\$112,306.86	\$58,594.89	\$87,892.33	\$24,414.54	\$488,290.71
Revenues							
Assessment Funds	92.24%	\$189,167.73	\$103,591.85	\$54,047.92	\$81,071.88	\$22,519.97	\$450,399.35
General Benefit Funds*	7.76%	\$15,914.37	\$8,715.01	\$4,546.96	\$6,820.44	\$1,894.57	\$ 37,891.36
TOTAL REVENUES	100%	\$205,082.10	\$112,306.86	\$58,594.89	\$87,892.33	\$24,414.54	\$488,290.71

* Other non-assessment funding to cover the cost associated with general benefit.

The assessment engineer (See Engineer's Report) has found that the general benefits (i.e., benefits to the general public and surrounding parcels outside the District with no general benefits to the assessed parcels within the District) represents \$37,891.36 of the total annual budget for Year 1. Thus, the total district costs will need to be funded by non-assessment revenue sources such as grants, donations, program income, etc. A delineation of both special and general benefit costs for each program element is shown in the above table.

C. Annual Maximum Special Benefit Assessment Budget

The budget below assumes that the maximum annual assessment increase of 4% is enacted and that there are no changes to the categorical budget allocations.

Service	%	2015	2016	2017	2018	2019	Total
Landscape/ Sanitation/ Beautification	42%	\$189,167.73	\$196,734.44	\$204,603.81	\$212,787.97	\$221,299.48	\$1,024,593.85
Streetscape/ Capital Improvements	23%	\$103,591.85	\$107,735.52	\$112,044.95	\$116,526.74	\$121,187.81	\$561,087.11
Marketing	12%	\$54,047.92	\$56,209.84	\$58,458.23	\$60,796.56	\$63,228.42	\$292,741.10
Administration	18%	\$81,071.88	\$84,314.76	\$87,687.35	\$91,194.84	\$94,842.64	\$439,111.65
Uncollected Assessments/ Contingency	5%	\$22,519.97	\$23,420.77	\$24,357.60	\$25,331.90	\$26,345.18	\$121,975.46
Total	100%	\$450,399.35	\$468,415.32	\$487,151.94	\$506,638.01	\$526,903.54	\$2,439,509.16

VIII. GOVERNANCE

A. Owners' Association

An Owners' Association will administer the PBID services. The Owners' Association shall contract with the City of Los Angeles for administration of services pursuant to Streets and Highways Code §36651.

B. Brown Act and Public Records Act Compliance

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. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Owners' Association's board of directors and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act.

C. Annual Report

The Owners' Association shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1).



APPENDIX 1 - PBID LAW

Property and Business Improvement District Law of 1994

California Streets & Highway Code § 36600 (2013)

*** This document is current through the 2013 Supplement ***
(All 2012 legislation, 2012 Governor's Reorg. Plan No. 2 and all
propositions approved by the electorate at the June and November 2012 elections)

§ 36600. Citation of part

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

§ 36601. Legislative findings and declarations

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. Purpose of part

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

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. Part prevails over conflicting provisions

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

§ 36604. Severability

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.

§ 36605. [Section repealed 2001.]

§ 36606. "Assessment"

"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"

"Business" means all types of businesses and includes financial institutions and professions.

§ 36608. "City"

"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, or the State of California.

§ 36609. "City council"

"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"

"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"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

§ 36612. "Property"

"Property" means real property situated within a district.



§ 36613. "Activities"

"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"; "Plan"

"Management district plan" or "plan" means a proposal as defined in Section 36622.

§ 36614.5. "Owners' association"

"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"; "Business owner"; "Owner"

"Property 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. "Business owner" means any person recognized by the city as the owner of the business. "Owner" means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

§ 36616. "Tenant"

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

§ 36617. 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. 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. Establishment of property and business improvement district

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

§ 36620.5. 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.

§ 36621. Initiation of proceedings; Petition of property or business owners in proposed district

(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. Contents of management district plan

The management district plan shall contain all of the following:

(a) If the assessment will be levied on property, 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. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and



businesses included. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit 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 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements and activities proposed for each year of operation are the same, a description of the first year's proposed improvements and activities and a statement that the same improvements and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(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. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(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 also shall 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 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. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with *Section 53753 of the Government Code*.

(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. A protest may be made

orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

§ 36624. Changes to proposed assessments

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. Resolution of formation

(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, businesses, or both 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, businesses, or properties and 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, if required, 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. Resolution establishing district

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.

§ 36626.5. [Section repealed 1999.]

§ 36626.6. [Section repealed 1999.]

§ 36626.7. [Section repealed 1999.]

§ 36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3104. No other provision of Division 4-5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

§ 36628. 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 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. 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.

§ 36629. Provisions and procedures applicable to benefit zones and business categories

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 property and business improvement district.

§ 36630. Expiration of district; Creation of new district

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. 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 levying the assessment. 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. 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 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. 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 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

§ 36634. 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 property and business improvement district has been formed.

§ 36635. 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.



§ 36636. 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 36623. Notice of all other public meetings and 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.

§ 36637. Reflection of modification in notices recorded and maps

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. 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 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.

§ 36641. [Section repealed 2001.]

§ 36642. [Section repealed 2001.]

§ 36643. [Section repealed 2001.]

§ 36650. 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 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. 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.

§ 36660. 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 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. 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 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 or authorized representatives of real property or the owners or authorized representatives 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. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment or expiration without renewal 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 or expires. 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 ID	Assessor's Parcel Number (APN)	Benefit Zone	Total Initial Annual Assessment (\$/yr)
1	2367015001	1	\$2,427.64
2	2367016002	1	\$2,293.48
3	2367016003	1	\$1,730.33
4	2367016004	2	\$177.12
5	2367016005	1	\$1,554.00
6	2367016006	2	\$152.98
7	2367016007	1	\$1,715.00
8	2367016008	1	\$1,690.40
9	2367016009	2	\$415.57
10	2367016010	1	\$3,266.48
11	2367016011	1	\$1,653.61
12	2367016012	1	\$1,413.62
13	2367016013	1	\$3,772.99
14	2367016014	1	\$2,256.56
15	2367016015	1	\$1,254.06
16	2367016016	1	\$2,377.82
17	2367016017	1	\$108.27
18	2367016018	1	\$2,289.35
19	2367017003	1	\$4,492.39
20	2367017006	1	\$3,086.16
21	2367017007	1	\$965.90
22	2367017008	2	\$174.53
23	2367017010	1	\$1,471.54
24	2367017011	1	\$1,796.10
25	2367017013	1	\$1,598.10
26	2367017015	1	\$1,958.53
27	2367017016	1	\$5,052.49
28	2367017017	1	\$2,804.55
29	2367017900	2	\$453.58
30	2367017901	1	\$1,587.18
31	2367017902	1	\$254.80
32	2367018001	1	\$2,882.99
33	2367018002	1	\$559.93
34	2367018003	1	\$1,120.00
35	2367018008	1	\$1,679.90
36	2367018009	1	\$559.93
37	2367018010	1	\$559.93
38	2367018011	1	\$559.93
39	2367018012	1	\$1,120.00
40	2367018015	1	\$559.93
41	2367018016	1	\$1,599.05
42	2367018017	1	\$1,396.24



Map ID	Assessor's Parcel Number (APN)	Benefit Zone	Total Initial Annual Assessment (\$/yr)
43	2367018018	1	\$559.93
44	2367018019	1	\$559.93
45	2367018020	1	\$1,120.00
46	2367018021	1	\$559.93
47	2367018022	1	\$559.93
48	2367018023	1	\$559.93
49	2367018024	1	\$559.93
50	2367018025	1	\$559.93
51	2367018026	1	\$1,120.00
52	2367018027	1	\$559.93
53	2367018028	1	\$1,120.00
54	2367018029	1	\$559.93
55	2367018030	1	\$559.93
56	2367018031	1	\$559.93
57	2367018034	1	\$559.93
58	2367018035	1	\$559.93
59	2367018036	1	\$1,206.28
66	2367018053	1	\$1,120.00
67	2367018054	1	\$2,239.97
68	2367018055	1	\$1,120.00
69	2368002001	1	\$1,469.33
70	2368002002	1	\$463.36
71	2368002003	1	\$463.36
72	2368002006	1	\$463.36
73	2368002007	1	\$231.61
74	2368002008	1	\$231.61
75	2368002009	1	\$463.36
76	2368002010	1	\$463.36
77	2368002011	1	\$463.36
78	2368002012	1	\$463.36
79	2368002013	1	\$463.36
80	2368002014	1	\$466.27
81	2368002015	1	\$483.85
82	2368002016	1	\$484.35
83	2368002017	1	\$1,013.94
84	2368002018	1	\$1,689.29
85	2368002033	2	\$780.92
86	2368002034	1	\$4,484.14
87	2368002035	1	\$1,137.36
88	2368002036	1	\$1,137.36
89	2368002037	1	\$1,137.36
90	2368002038	1	\$5,778.42
91	2368002039	1	\$463.36
92	2368002040	1	\$463.36
93	2368002041	1	\$1,671.99

Map ID	Assessor's Parcel Number (APN)	Benefit Zone	Total Initial Annual Assessment (\$/yr)
94	2368002042	1	\$3,024.36
95	2368002043	1	\$1,853.93
96	2368003001	2	\$359.17
99	2368005011	2	\$24,993.88
100	2368006001	1	\$2,165.22
101	2368006002	1	\$1,172.43
102	2368006003	1	\$1,172.43
103	2368006004	1	\$1,172.43
104	2368006005	1	\$3,517.47
105	2368006006	1	\$586.15
106	2368006007	1	\$586.15
107	2368006008	1	\$1,172.43
108	2368006009	1	\$1,172.43
109	2368006010	1	\$1,172.43
110	2368006011	1	\$3,515.74
118	2368006024	1	\$4,303.17
120	2369001009	1	\$568.61
121	2369001010	1	\$568.61
122	2369001011	1	\$1,137.36
123	2369001012	1	\$1,137.36
124	2369001016	1	\$862.61
125	2369001017	1	\$1,137.36
126	2369001018	1	\$568.61
127	2369001019	1	\$568.61
128	2369001021	1	\$1,137.36
129	2369001022	1	\$1,137.36
130	2369001023	1	\$1,714.36
131	2369001024	1	\$1,431.40
132	2369001025	1	\$3,564.59
133	2369002017	1	\$1,190.52
134	2369002018	1	\$1,182.27
135	2369002020	1	\$1,706.15
136	2369002021	1	\$1,137.36
137	2369002022	1	\$1,137.36
138	2369002023	1	\$2,274.90
139	2369002024	1	\$568.58
140	2369002025	1	\$568.75
141	2369002026	1	\$2,274.90
142	2369002027	1	\$454.97
143	2369002028	1	\$682.40
144	2369002029	1	\$1,714.36
145	2369004023	1	\$1,691.61
146	2369004024	1	\$1,160.15
147	2369004025	1	\$1,137.50
148	2369004026	1	\$568.61



Map ID	Assessor's Parcel Number (APN)	Benefit Zone	Total Initial Annual Assessment (\$/yr)
149	2369004027	1	\$568.61
150	2369004028	1	\$1,137.36
151	2369004029	1	\$1,137.36
152	2369004030	1	\$1,137.36
153	2369004031	1	\$1,706.15
154	2369004032	1	\$568.61
155	2369004033	1	\$568.61
156	2369004034	1	\$568.61
157	2369004035	1	\$1,137.36
158	2369004036	1	\$568.61
159	2369004037	1	\$568.61
160	2369004038	1	\$1,137.36
161	2369004039	1	\$1,137.36
162	2369004040	1	\$568.61
163	2369004041	1	\$568.61
164	2369004042	1	\$1,137.36
165	2369004043	1	\$1,137.36
166	2369004044	1	\$568.61
167	2369004045	1	\$568.61
168	2369004046	1	\$1,780.68
169	2369014001	1	\$4,683.55
170	2369014002	1	\$2,915.99
171	2369014003	1	\$729.61
172	2369014004	1	\$729.61
173	2369014005	1	\$1,459.36
174	2369014006	1	\$1,660.61
175	2369014007	1	\$2,141.97
176	2369014008	1	\$5,386.98
177	2369014009	2	\$143.73
178	2369014010	1	\$1,352.12
179	2369015003	1	\$1,322.36
180	2369015006	1	\$763.07
181	2369015013	1	\$430.78
182	2369015015	2	\$89.93
183	2369015016	1	\$13,767.60
184	2369015017	1	\$191.09
185	2369015018	1	\$1,543.60
186	2369015019	1	\$9,247.68
187	2369016001	1	\$1,789.91
188	2369016002	1	\$1,155.95
189	2369016003	1	\$577.92
190	2369016004	1	\$578.06
191	2369016005	1	\$578.20
192	2369016006	1	\$1,156.58
193	2369016007	1	\$578.52

Map ID	Assessor's Parcel Number (APN)	Benefit Zone	Total Initial Annual Assessment (\$/yr)
194	2369016008	1	\$578.66
195	2369016009	1	\$1,157.80
196	2369016010	1	\$578.97
197	2369016011	1	\$579.15
198	2369016012	1	\$579.29
199	2369016013	1	\$579.43
200	2369016014	1	\$579.60
201	2369016015	1	\$1,159.48
202	2369016032	1	\$881.51
203	2369016034	1	\$2,019.15
211	2369027031	1	\$3,269.79
215	2375018008	1	\$14,805.88
216	2375018013	1	\$8,752.51
217	2375018018	1	\$14,118.84
218	2375018019	1	\$8,275.96
219	2375021008	1	\$9,356.73
220	2375021016	1	\$2,713.20
221	2375021017	1	\$1,459.15
222	2375021018	1	\$3,281.95
223	2375021019	1	\$9,695.70
224	2375021020	1	\$4,283.89
225	2375021022	1	\$13,190.81
226	2375021023	1	\$3,650.15
227	2384008027	1	\$13,430.39
228	2384016046	1	\$7,351.42
229	2384018005	1	\$1,523.20
230	2384018006	1	\$3,609.55
231	2384018007	1	\$2,095.54
232	2384022019	1	\$1,193.85
233	2384022020	1	\$1,662.50
234	2384022021	1	\$1,500.45
235	2384022023	1	\$1,440.60
236	2384022024	1	\$2,413.60
237	2384022027	1	\$2,450.35
238	2384022028	1	\$622.65
239	2384022029	1	\$1,870.75
240	2384022032	1	\$5,059.95
241	2384022036	1	\$5,446.70
242	2384022049	1	\$6,889.40
243	2384023028	1	\$3,059.35
244	2384023029	1	\$2,074.10
245	2384023033	1	\$2,229.15
246	2384023044	1	\$2,172.80
247	2384023047	1	\$2,164.05
248	2384023053	1	\$2,420.95

APPENDIX 4 - INTERCEPT SURVEY SUMMARY

FINAL RESULTS: Studio City PBID Visitor Survey

SAMPLE SIZE = 179; MARGIN OF ERROR = 7.3%

INTERVIEW DATES: October 17 & October 19, 2013

A. Do you work within the Studio City Business Improvement District? Yes: 49 No: 121 N/A: 9

Now, I am going to read a list of activities. For each one I read, please tell me how likely you think it is that you will do that activity either today, or at ANY point in the future, while in the Studio City Business Improvement District. Please tell me if you are very likely, somewhat likely, slightly likely, or not at all likely to do the following either today or at ANY point in the future...

Stroll or walk around OR simply wait to make a transit connection

Eat or drink at a restaurant, café, bar

Shop or take a class

Visit a nightclub, bar or attend a live show (Rain Nightclub)

Conduct personal business like visit a bank, beauty salon, tailor, dry cleaner or office

Pay to park your car within the District

Visit CBS Studio Center for a live taping of a show

Visit the Studio City Walk of Fame

SUMMARY OF RESPONSES

VERY LIKELY, SOMEWHAT LIKELY OR SLIGHTLY LIKELY TO ENGAGE IN ONE OR MORE OF THE COMMERCIAL ACTIVITIES

179

NOT AT ALL LIKELY TO PERFORM ANY OF THE COMMERCIAL ACTIVITIES

0

TOTAL 179

Now, I am going to read a list of features. For each I read, please tell me how important each is to you when making your decision to engage in any of the activities you provided a "likely" response to. Please tell me if each of the following features is very important, somewhat important, just slightly important or not at all important in making your decision to engage in any of the activities.

Cleanliness, like sidewalk sweeping, extra trash pick-up, steam cleaning and graffiti removal

Appearance, like plants, flowers and landscaping

Communication to the community about the District and its offerings

"Ventura Receipts Program" which gives back to local schools for shopping within the District

Availability of parking in the Studio City parking garage

SUMMARY OF RESPONSES

VERY LIKELY, SOMEWHAT LIKELY OR SLIGHTLY LIKELY TO ENGAGE IN ONE OR MORE OF THE FEATURES

179

NOT AT ALL IMPORTANT FEATURES

0

TOTAL 179

STUDIO CITY PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

ENGINEER'S REPORT

Prepared pursuant to the State of California Property and Business Improvement District Law of 1994, as amended, and Section 4, Article XIII D of the California Constitution, to renew a Property and Business Improvement District within the City of Los Angeles

January 1, 2015 to December 31, 2019

Prepared by



Civitas Advisors Inc.
Principal John Lambeth, Esq.
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and



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June 12, 2014

STUDIO CITY PROPERTY AND BUSINESS IMPROVEMENT DISTRICT ENGINEER'S REPORT TABLE OF CONTENTS

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I. DISTRICT OVERVIEW

- Location:** The District includes parcels in Studio City, along Ventura Boulevard between Coldwater Canyon Avenue on the west and Carpenter Avenue on the east on the eastern entrance to the San Fernando Valley, within the City of Los Angeles, California. A boundary map and detailed description of the boundaries are included in Section II.
- Services:** The services provided include cleaning, beautification, marketing, streetscape and capital improvements, and administration. An extensive clean and beautiful program will sweep and pressure wash sidewalks, prune trees and remove weeds from tree wells, and provide landscaping service to medians. A marketing program will promote the District to potential customers and tenants. The District will also conduct occasional streetscape and capital improvement projects, management of parking issues, and support the needs of the individual assessed parcels. If funds allow, the District will also implement safety enhancements. Further detail on services is provided in Section III.
- Budget:** The total District assessment for the initial year of its five-year operation is anticipated to be \$450,399.35. The assessment may be subject to an increase of no more than four percent (4%) per year. The assessment funding will be supplemented by non-assessment funds so that the annual service plan budget for the initial year of the District's five-year operation is anticipated to be \$479,810.43.
- Cost:** Annual assessments are based upon an allocation of program costs by benefit zone, parcel size (square footage), and street frontage (linear footage). The initial annual parcel assessment rates are below. Per year maximum rates are described in Section IV.
- | Assessment Variable | Zone 1 | Zone 2 |
|-------------------------------------|------------------|-----------------|
| Parcel square footage | \$0.035/sq. ft. | \$0.018/sq. ft. |
| Linear frontage along Ventura Blvd. | \$19.25/lin. ft. | N/A |
| Linear frontage along other streets | \$5.77/lin. ft. | \$1.92/lin. ft. |
- Renewal:** The SCPBID renewal is a two-step process. First, petitions signed by District property owners representing at least 50% of the total assessment to be levied must be secured. Second, property owners will be sent a ballot to vote on the District renewal. Returned ballots in support of the District renewal must outweigh those in opposition based on the amount of assessment to be levied.
- Duration:** The SCPBID will have a five-year life beginning January 1, 2015 and ending December 31, 2019. Prior to expiration, the petition process, ballot process, and City Council hearing process must be repeated for the SCPBID to again be re-established.

II. HISTORY



The Studio City Property and Business Improvement District (SCPBID, PBID or District), located on the eastern edge of the District, is known throughout the globe. It is home to the historical Sportsmen's Lodge Hotel, CBS Studio Center film complex, the Studio City Walk of Fame and over 300 restaurants and retailers. In 1928, the area became known as Studio City.

At the western edge of the Studio City PBID is the Sportsmen's Lodge Hotel. It was established in the 1880's and is considered a San Fernando Valley historical landmark.

CBS Studio Center today is a full service television production studio. The primary use is as a production rental facility. During peak production periods, there may be as many as 5,000 people working on the Studio lot.

As a testament to the special benefits provided, parcel owners have voted to renew the District on two separate occasions, in 2003 and 2008. The District is now approaching the end of its third five-year term that began in 2009. Parcel owners again desire to renew the District and continue the programs that have been demonstrably successful in providing special benefits to their parcels.

III. PURPOSE

Developed by the Studio City Business Improvement District Renewal Committee, the Studio City Business Improvement District Management District Plan is proposed to improve and convey special benefits to properties located within the Studio City Business Improvement District area. The District will provide new and continued programs, services and improvements, including Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking and Safety Improvements. Each of the programs is designed to meet the goals (PBID Goals) of the district; to maintain and improve the commercial core by providing Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking and Safety Improvements and to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries.

Commercial Core of Studio City

The commercial parcels fronting Ventura Blvd. from the Sportsmen's Lodge at Coldwater Canyon Avenue to the CBS Studio Center at Ventura Boulevard and Carpenter Avenue are the commercial core of Studio City. This commercial core is the center of the main economic development activity of Studio City. It showcases an array of commercial retailers, including many high-end shops, that when anchored to the Sportsmen's Lodge and CBS Studio Center, form the "cohesive commercial fabric" of the Studio City PBID. This main commercial core of Studio City mostly includes one parcel deep parcels fronting Ventura Boulevard because the parcels to the north and south are primarily residential with no commercial activity. The boundaries include parcel types that will specially benefit from the Studio City PBID services, programs and improvements including retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot parcels (hereinafter "Assessed Parcel Types"). These Assessed Parcel Types comprise the commercial core of Studio City. The boundaries were chosen to include the parcels that will specially benefit from the BID services of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot parcels are designed to attract a particular market demographic of clientele as consumers to the Studio City PBID boundaries.

The assessed parcels are an essential part of the cohesive commercial center of economic activity of Studio City and seek to attract consumers with "higher income," which are defined as the "desired market demographic" for the Studio City PBID. The goal of the Studio City PBID is to maintain and improve the commercial core by providing Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking and Safety Improvements to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. Assessed commercial parcels that receive PBID programs, services and improvements attract more customers, increase commerce, commercial rental income, commercial occupancies and improve the overall economic vitality of the BID by deterring crime, reducing litter and debris, all considered detractors to commerce commercial occupancy rates and economic vitality. The City of Los Angeles does not provide these programs and services. In the case of the District, the very nature of the purpose of this District is to fund supplemental programs, improvements and services to assessed parcels within the SCPBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. All benefits derived from the assessments to be levied on assessed parcels within the SCPBID are for services, programs and improvements directly benefiting each individual assessed parcel within the SCPBID. No BID funded services, activities or programs will be provided outside of the SCBID boundaries.

The purpose of the Studio City PBID is to attract pedestrians, employees and visitors that will become consumers and contribute to the overall economic vitality of the individual assessed parcels of the Studio City PBID, thereby providing special benefits to all of the assessed parcels. The Studio City PBID boundaries were selected because these parcels will special benefit from the programs, improvements and services of the PBID and they comprise

the commercial core where the main economic activity of Studio City is centered. The desired market demographic includes pedestrians, employees, visitors and consumers with high income. According to City-Data.com, the median household income for Studio City residents in 2011 was \$96,407, well above the California median income of \$57,287. Although the Studio City PBID's efforts will be to attract its desired market demographic from within Studio City, the market demographic will also include visitors and celebrities. Many of the businesses within the boundaries of the district cater to the desired demographic which contributes to the cohesive commercial fabric of the Studio City PBID. Furthermore, celebrities have been sighted many times in the Studio City PBID, adding to its status and identity.



The Studio City PBID's programs, services and improvements are vital to the economic success of the District. What once was a barren area (see historical photo on left) has been transformed over the years to an urban oasis that includes numerous tree plantings and medians (see current Studio City PBID on right). Without the Studio City PBID, parcels would not receive these that are vital to their economic success and vitality. The services are a benefit to the assessed parcel types because graffiti, trash, dirty sidewalks, and unkempt medians deter commerce.



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IV. DISTRICT BOUNDARIES

Article XIID Section 4(a) of the State Constitution requires that the authorizing agency “identify all parcels which will have special benefit conferred upon them and upon which an assessment will be imposed.” The boundaries of the Studio City Business Improvement were selected because they encompass the commercial corridor primarily along Ventura Boulevard that will specially benefit the assessed parcels with the overall intention of improving commerce and economic vitality within the PBID.

Area

The Studio City Business Improvement District encompasses approximately 20 blocks in Studio City at the southeastern area of the San Fernando Valley, within the City of Los Angeles, California. The Studio City PBID boundaries begin at Coldwater Canyon Avenue and Ventura Boulevard on the western edge of the boundary and travel eastward along Ventura Boulevard to Carpenter Avenue to the eastern edge of the District at Carpenter Avenue and Ventura Boulevard. The northern boundary begins at the north side of the parcels that front Ventura Boulevard from Coldwater Canyon Avenue, continuing past to Whitsett Avenue and includes all parcels south of the Los Angeles River. The northern boundary continues along Ventura Boulevard to include all commercial parcels fronting Ventura Boulevard from Whitsett Avenue to Laurel Grove Avenue. The boundary continues along Ventura Boulevard to include all parcels along Ventura Boulevard south of the Los Angeles River to Laurel Canyon Boulevard, continuing then with all commercial parcels facing Ventura Place from Laurel Canyon Boulevard to Radford Avenue, and then continuing with all commercial parcels facing Radford Avenue from Ventura Boulevard to Valleyheart Drive. The eastern-most boundary begins with the CBS Studio Center parcel abutting the southern border of the Los Angeles River at Colfax Avenue and follows that parcel’s property line to then include all four parcels facing the intersection of Carpenter Ave and Ventura Boulevard. The southern-most boundary consists of all commercial parcels facing Ventura Boulevard from Carpenter Avenue on the east to Coldwater Canyon Avenue on the west, including all commercial parcels just south of Ventura Boulevard and commercial parcels that front Laurel Canyon boulevard. All property described above are the approximate boundaries included in the Studio City PBID. A detailed description of the boundaries is described below.

Boundary Description

Beginning at the northwest corner of Assessor’s Parcel Number (APN) 2375-021-022 (Map ID 225), then east along the northern boundary of parcels fronting the north edge of Ventura Boulevard, across Whitsett Avenue, Rhodes Avenue, and Laurelgrove Avenue to the northwest corner of APN 2367-017-900 (Map ID 29), east along the northern boundary of said parcel, and continuing east along the northern boundary of parcels fronting the north edge of Ventura Boulevard to the northwest corner of the western portion of APN 2367-015-001 (Map ID 1). East along the northern boundary of said parcel, and continuing east along the northern boundary of parcels fronting the north edge of Ventura Boulevard to the northwest corner of APN 2367-016-004 (Map ID 4). East along the northern boundary of said parcel, then east along the northern boundary of APN 2367-016-006 (Map ID 6) to the northwest corner of the eastern portion of APN 2367-015-001 (Map ID 1). East along the northern boundary of said parcel to Laurel Canyon Boulevard, then east across Laurel Canyon Boulevard to the south edge of Valleyheart Drive.

East along the south edge of Valleyheart Drive to the northeast corner of APN 2368-002-018 (Map ID 84), then south along the south edge of the alley between Ventura Place and Hoffman Street to a point opposite the southwest corner of APN 2368-002-033 (Map ID 85). North along the western boundary of parcels fronting the west edge of Radford Avenue to the northwest corner of APN 2368-003-001 (Map ID 96), then east along the northern boundary of said parcel to Radford Avenue. Northeast across Radford Avenue to the northwest corner of APN 2368-005-011 (Map ID 99), then east along the northern boundary, south along the eastern boundary, and west along the southern boundary to a point opposite the northeast corner of APN 2368-006-024 (Map ID 118). South along the eastern boundary of parcels fronting the east edge of Carpenter Avenue, across Ventura

Boulevard, to the southeast corner of APN 2369-027-031 (Map ID 211). Northwest along the southwestern boundary of parcels fronting the southwest edge of Ventura Boulevard to the southwest corner of APN 2369-015-015 (Map ID 183), then south along the eastern boundary of APNs 2369-015-015 (Map ID 182) and 2369-015-006 (Map ID 180), and continuing west along the southern boundary of said parcel to Laurel Canyon Boulevard. North along the east edge of Laurel Canyon Boulevard to a point opposite the southeast corner of APN 2369-014-001 (Map ID 169).

West along the southern boundary of parcels fronting the south edge of Ventura Boulevard to the southeast corner of the eastern portion of APN 2369-014-010 (Map ID 178), then west along the southern boundary of the eastern portion of said parcel, continuing west along the southern boundary of APN 2369-014-009 (Map ID 177), and continuing west along the southern boundary of the western portion of APN 2369-014-010 (Map ID 178) to Vantage Avenue. North along the east edge of Vantage Avenue to a parcel opposite the southeast corner of APN 2369-004-046 (Map ID 168), then west along the southern boundary of parcels fronting the south edge of Ventura Boulevard, across Laurelgrove Avenue, Rhodes Avenue, Laurel Terrace Drive, Fairway Avenue, Goodland Avenue, and Alcove Avenue, to Coldwater Canyon Avenue. North along the east edge of Coldwater Canyon Avenue, across Ventura Boulevard, to the northwest corner of APN 2375-021-022 (Map ID 225), the point of beginning.

Benefit Zones

The District parcels are divided into two benefit zones. Zone 1 includes all parcels fronting Ventura Boulevard, Laurel Canyon Boulevard, or Ventura Place, which have the heaviest level of pedestrian and vehicular traffic. All other parcels are Zone 2. Zone 2 parcels (parking lots and CBS Studio Center) are separated because they do not have street frontage along Laurel Canyon Boulevard, Ventura Place or Ventura Boulevard, which are the heavily traffic corridors of the PBID. Zone 2 parcels have less need for services than Zone 1 parcels because they are not as heavily trafficked by pedestrians and vehicles, require less landscaping services and are accessible only via service streets. The parcels share the PBID Goals to maintain and improve the commercial core by providing services, programs and improvements to the PBID to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. The parking lots will benefit from increased patronage and CBS Studio Center will benefit from commercial rentals. These services are designed to attract customers of the desired market demographic. The services are a special benefit to the assessed parcels in both zones because graffiti, trash, dirty sidewalks, and unkempt medians deter commerce.

Each Zone will receive services tailored to meet the needs of those parcels, as described in Section IV of this Plan. Zone 1 and 2 will share the Administration and Contingency/Uncollected Assessment expenses proportionately with their assessments.

Boundary Rationale

The Studio City PBID boundaries are comprised of the commercial core parcels where the main economic activity of Studio City is centered. The commercial parcels fronting Ventura Blvd. from the Sportsmen’s Lodge at Coldwater Canyon Avenue to the CBS Studio Center at Ventura Boulevard and Carpenter Avenue are the heart of the commercial core of Studio City. These parcels showcase an array of commercial retailers, including many high-end shops, that when combined with the Sportsmen’s Lodge and CBS Studio Center, form what is labeled as the “cohesive commercial fabric” of the Studio City PBID. The Sportsmen’s Lodge serves as the west anchor to the District and CBS Studio Center as the east anchor to the District.

The boundaries include parcel types that will specially benefit from the Studio City PBID activities and services and are a mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot parcels which comprise the commercial core of Studio City. The assessed parcels are a part of the

cohesive commercial fabric of Studio City which seeks to attract the targeted consumer demographic and to improve and maintain their economic success to remain vital and occupied. These parcels were chosen to be included in the PBID boundaries because they will specially benefit from the district programs, services and improvements and are a part of the Studio City commercial center fronting Ventura Boulevard. Surrounding parcels zoned solely residential, residential use and zoned agricultural have not been included within the boundaries of the PBID. These parcels will not specially benefit from the PBID programs, improvements and services which are designed to improve commerce and economic vitality. These parcels care for their own beautification and don't have a desire to attract or increase pedestrian of vehicular traffic and therefore will not specially benefit from the PBID services.

The services to be provided by the SCPBID are all designed to contribute to the cohesive commercial fabric and to ensure economic success and vitality of the District. The assessed parcels in the PBID will specially benefit from the District programs in the form of increasing commerce and improving economic success and vitality through meeting the PBID Goals: to improve safety, sanitation, beautification, landscaping, and to attract and retain businesses and services, and ultimately to increase commerce and improve the economic viability of each individual assessed parcel.

The property uses within the boundaries of the PBID are a unique mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot (the "Assessed Parcel Types"). The Assessed Parcel Types are unique in that they are entirely commercial, entertainment, or parking in nature. The entertainment parcels specially benefit from the programs and services because the programs, services and improvements create a desirable place to do business that attract potential tenants to rent and utilize the studio facility. The programs, services and improvements benefit the studio by providing a desirable commercial location for their employees and tenants. The hotel will specially benefit because the BID programs will attract more visitors and patrons. The retail, grocery and auto service parcels will specially benefit because the well-manicured District will provide an attractive environment to attract consumers. The parking parcels will also specially benefit because the parking availability will attract vehicular customers and revenue. The programs will maintain the area to attract commercial tenants and maintain lease rates for office parcels.

All of the Assessed Parcel Types will specially benefit from the programs, services and improvements of the Studio City PBID designed to increase commerce and economic vitality. Zone 1 is comprised of parcels fronting Ventura Boulevard, Ventura Place and Laurel Canyon Boulevard. There is a higher need for programs, services, and improvements in Zone 1 of the District because of the high volume of commercial activity, pedestrian traffic, vehicular traffic and require streetscape, capital and landscaping. Further, Ventura Boulevard and Laurel Canyon Boulevard and portions of Ventura Place are wide streets with center medians and will require landscaping and improvements. Therefore, Zone 1 parcels will receive a greater level of special benefits from the Districts programs, services and improvements. Parcels in Zone 2 do not front these streets; they have less pedestrian and vehicular traffic and do not require the same level of services as Zone 1. Parcels in Zone 2 do not have street frontage along Laurel Canyon Boulevard, Ventura Place or Ventura Boulevard and therefore do not benefit from the same degree of services. The services and assessment rate have been reduced in Zone 2 to reflect the different degree of benefit. The parcels surrounding the District do not front Ventura Boulevard, Ventura Place or Laurel Canyon Boulevard and will not specially benefit; are not assessed and are not part of the cohesive commercial center of Studio City.

Northern Boundary

Parcels beyond the northern boundary will not specially benefit because they are not part of the commercial core of the District. The northern boundary of the PBID includes commercial parcels one parcel deep fronting Ventura Boulevard from Coldwater Canyon Avenue to Laurel Grove Avenue. The boundary is one parcel deep to include all of the parcels that front Ventura Boulevard and will specially benefit from enhancement of and services provided

along Ventura Boulevard. Parcels to the north are not included in the District boundaries because they are not commercial in nature and they are not part of the Studio City center of economic activity which fronts Ventura Boulevard and they would not benefit from the PBID Goals designed to improve commerce and economic vitality of Studio City's commercial core.

Along Ventura Boulevard between Coldwater Canyon Avenue and Whitsett Avenue, the PBID parcels are bordered on the north by the Los Angeles River Greenway Park, which, as discussed above, does not share the PBID Goals and would not benefit from the services; thus, it is not assessed. The parcels located to the north of the assessed parcels in the PBID are comprised of the Los Angeles River, which provides a natural barrier. Additionally, parcels located north of the river are comprised of parcels that are solely residential or a golf course, which is zoned agricultural. The Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, "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."

Along Ventura Boulevard between Whitsett Avenue and Laurel Grove Avenue, the District is bordered on the north by parcels that do not share the cohesive commercial fabric of the PBID and therefore not included in the PBID. It is primarily comprised of a large public storage warehouse, private parking areas, and a few non-retail commercial businesses. As discussed above, these parcels do not share the cohesive commercial fabric of the PBID, nor do they share the PBID Goals; thus, they are not included in the PBID because they do not attract pedestrians, employees or visitors to the PBID. They are also located on a very narrow street equivalent to the 30 foot width of the PBID alleys.

Along Ventura Boulevard from Laurel Grove Avenue to Laurel Canyon Boulevard, the boundary is the Los Angeles River Greenway Park. As discussed above, the Park does not have a commercial component and does not share the PBID Goals to increase commerce and improve the economic viability, would not benefit from the services, and therefore will not be assessed. The remaining parcels between Ventura Boulevard and the Park are assessed because they receive special benefit from PBID services. There are five parcels in this block which do not face Ventura Boulevard; however, because the only access to those five parcels is via Ventura Boulevard, they are a part of Studio City's commercial core and will receive a special benefit from the services to be provided. These five parcels are all parking lots for a cohesive shopping center that spreads across parcels in Zone 1 and Zone 2; upon physical inspection of the Zone 2 parcels, it is not possible to distinguish that they are separate parcels. These five parcels have been designated Zone 2 parcels because they do not front Ventura Blvd. and therefore do not receive the same level of services as parcels fronting Ventura Blvd. The Zone 2 parcels do not pay Ventura Boulevard frontage, and pay a lower square foot rate commensurate with the benefits received by each individual assessed parcel, as described in the Engineer's Report.

From Laurel Canyon to Radford Avenue the boundary is one parcel deep of commercial parcels fronting Ventura Place. The boundary is one parcel deep because all of these parcels front Ventura Place and are part of the commercial center of Studio City and will therefore benefit from PBID services that will enhance and be provided along those streets and sidewalks. Parcels north of Ventura Place between Valleyheart Drive and Radford Avenue (except the two Zone 2 parcels as later discussed) are residential uses and do not face a serviced street. As discussed above, these parcels do not share the uniquely cohesive nature of the assessed parcels, nor do they share the PBID Goals of improving commerce; thus, they would not benefit from the services.

Additionally, parcels located north of the river are comprised of parcels that are solely residential or a golf course, which is zoned agricultural. To the north of the assessed parcels, there is an alley that serves as a natural barrier. Further to the north, there are only R-3 residentially zoned parcels. The Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, " 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."

The northern boundary extends to Valleyheart Drive along Radford Avenue on the east side, and includes two commercial parcels (APN 2368-002-033 and APN 2368-003-001) on the west side of Radford Avenue. The two parcels on the west side of Radford Avenue are included in the District because they are commercial and are part of the Studio City's commercial center. The remaining parcels along the western side of Radford Avenue are zoned RAS4-1. Those parcels are not included in the District because their use is solely residential, and they do not share the PBID Goals to increase commerce and improve the economic vitality; therefore they are not included in the District.

At Radford Avenue and Valleyheart Drive, the northern boundary extends across the Los Angeles River Parkway to include the front and entire CBS Studio Center film complex parcel that fronts Radford Avenue. This large parcel along the eastern side of Radford Avenue (APN 2368-005-011) will specially benefit from the programs and services and shares the PBID Goals to increase commerce and economic vitality via attracting desirable tenants and employees. Because the main entrance to the Studio is at 4024 Radford Avenue, it does not receive the same benefit as Zone 1 parcels because it does not front Ventura Boulevard. This parcel is a Zone 2 parcel.

The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

Eastern Boundary

Parcels beyond this boundary will not specially benefit because they are not part of the commercial core of the District and service a different clientele demographic outside of the District boundaries. The eastern boundary of the PBID is the eastern corner of Carpenter Avenue. The north-eastern boundary is the edge of the Studio City film complex which extends to Colfax Avenue. This boundary was chosen to include all of the parcels that share the cohesive commercial center of Studio City and market demographic of the Studio City BID. Parcels on all four sides of the corner of Carpenter Avenue and Ventura Boulevard are included in the District boundaries because they are part of the Studio City commercial center and have high pedestrian traffic from the Studio City film lot to the parcel located on the southeast corner of Carpenter Avenue and Ventura Boulevard which is mostly occupied by the Studio City film complex legal personnel. The boundary does not include parcels east of the Carpenter Avenue intersection because those parcels are not part of the cohesive commercial fabric that shares the PBID Goals. The environment and types of businesses present to the east of Carpenter Avenue are different and attract consumers of a different marketplace demographic orientation with lower income. Examples of businesses located to the east of the PBID boundary are the US Probation and Parole office, a marijuana shop and two small motels that do not have a pool or appear on any hotel-type website. These types of businesses are not part of the cohesive commercial fabric of the PBID and do not share the PBID goals. Therefore, they are not included in the boundaries of the District and will not specially benefit from the PBID services. The adjacent portion of the Film Lot parcel east of Carpenter Avenue is included because the parcel benefits from services to be provided up to Carpenter Avenue and the parcel cannot be divided in two for assessment purposes.

The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

Southern Boundary

The southern boundary of the PBID is one parcel deep along Ventura Boulevard between Coldwater Canyon Avenue and the western side of Vantage Avenue. Parcels beyond this boundary will not specially benefit because they are not part of the commercial core of Studio City. The boundary is one parcel deep because parcels south of the boundary are used solely as residential properties. Between Whitsett Avenue and Vantage Avenue, there is

also the additional barrier of the alley that separates the PBID from the residential neighborhood. All of the parcels that front Ventura Boulevard will benefit from enhancement of that street and share the PBID Goals. Parcels south of those fronting Ventura Boulevard are zoned solely residential and because they do not have a commercial component, they do not share the PBID Goals to increase commerce and improve the economic vitality; therefore they are not assessed.

Along Ventura Boulevard between Vantage Avenue and Laurel Canyon Boulevard, the boundaries include all parcels comprising one large contiguous shopping area occupied by a single shopping center spanning several parcels. The shopping center shares the PBID Goals and will specially benefit from the programs, services and improvements designed to improve commerce and economic vitality. The point south of the shopping center zoned solely residential and is not part of the cohesive commercial center of the PBID and therefore is not included in the District boundaries. There is one commercially zoned parcel that is not part of the Studio City cohesive commercial center. This parcel is located south of the shopping center fronting Laurel Canyon Boulevard and is used as a medical facility. This parcel does not share the cohesive commercial fabric of the assessed parcels because the PBID Goals do not focus on medical facilities. It will not specially benefit from the PBID programs, services and improvements designed to increase commerce and economic vitality of parcels in the Studio City commercial center. There is one commercial parcel that fronts Vantage Avenue (Map ID 178) which is part of the District because it is part of the shopping center. There is also one parcel in the shopping center (Map ID 177) which is used as parking and therefore has been designated Zone 2 because it does not have Ventura Boulevard frontage, but is surrounded by parcels facing parcels that are part of the shopping center.

Fronting along Ventura Boulevard from Laurel Canyon Boulevard to Radford Avenue, the boundaries include commercial parcels that share the PBID Goals and are a part of the cohesive commercial core of the Studio City District. The District boundary is one parcel deep (except Map ID 182 as discussed below) along Laurel Canyon Boulevard between Valleyheart Drive and Ventura Boulevard. The District boundary ends at the solely residential parcels on Laurel Canyon Boulevard, which as discussed above do not have a commercial component and do not share the PBID Goals to increase commerce and improve the economic vitality; therefore, they are not assessed. There is one parcel in this area (Map ID 182) which does not front Ventura Boulevard or Laurel Canyon Boulevard, but is assessed as part of Zone 2 because the means of access is via Laurel Canyon Boulevard and it is part of the shopping center, and will receive special benefits as described in the Engineer's Report. Fronting along Ventura Boulevard between Radford Avenue and the south-eastern corner of Carpenter Avenue, the boundary continues one parcel deep along Ventura Boulevard. The boundary is one parcel deep because parcels south of the boundary are zoned solely residential and will not specially benefit from the PBID programs and services. All of the parcels that front Ventura Boulevard will benefit from enhancement of that street and share the PBID Goals. Parcels south of those fronting this section of Ventura Boulevard either have solely residential or school zoning, as there is a Carpenter Charter Elementary School behind the commercial parcels. The school's entrance is accessed via Carpenter Avenue and no entrance to the school fronts either Ventura Boulevard or Laurel Canyon Boulevard and will not specially benefit from the programs and services designed to improve commerce and economic vitality. Because these residential and school parcels are not commercial and do not share the PBID Goals, they will not specially benefit and will not be assessed. The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

Western Boundary

Parcels beyond this boundary will not specially benefit because they are not part of the commercial core center of the Studio City District. The western boundary of the PBID is the eastern side of Coldwater Canyon Avenue. As part of this renewal the boundary has been extended to Coldwater Canyon Avenue. Because Coldwater Canyon Avenue is a major thoroughfare with minimal pedestrian traffic crossing into or out of the District, it serves as a physical and perceivable boundary that separates the assessed parcels from that west of Coldwater Canyon Avenue. The parcels west of Coldwater Canyon Avenue do not share the cohesive commercial fabric of the PBID

and are not the same as the Assessed Parcel Types, rather they have a mixture of types of uses including four blocks that are zoned solely residential along Ventura Boulevard on the south side of the street, thus parcels West of Coldwater Canyon Avenue are not included in the District. These parcels attract a different demographic clientele. The District will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed.

The District boundary includes 248 parcels. The District boundary is illustrated by the overview map on Appendix 3. Parcels in the map in Appendix 3 are identified by Map ID numbers corresponding to the Assessor's Parcel Numbers, which can be found in Appendix 2. A larger map is available on request by calling (818) 655-5377. If the ownership, size, or zoning of a parcel changes during the term of this District, the assessment calculation may be modified accordingly, pursuant to Government Code 53750.

V. SERVICES

Assessed parcels that receive the PBID services, programs and improvements as described below will specially benefit because they are designed to attract more customers, visitors and employees, thereby increasing customers and economic vitality to the individually assessed parcels within the PBID boundaries. These services improve commerce and economic vitality by deterring crime, reducing litter and debris, all considered detractors to commerce, and economic vitality.

The property uses within the boundaries of the PBID are a unique mix of retail, office, grocery, restaurant, bank, auto service, attractions, entertainment offices, parking, hotel and film lot. These Assessed Parcel Types are unique in that they are entirely commercial, entertainment, or parking in nature. The entertainment parcels specially benefit from the programs and services because the programs, services and improvements create a desirable place to do business that attract potential tenants to rent and utilize the studio facility. The programs, services and improvements benefit the studio by providing a desirable commercial location for their employees and tenants. The hotel will specially benefit because the BID programs will attract more visitors and patrons. The retail, grocery and auto service parcels will specially benefit because the well-manicured District will provide an attractive environment to attract consumers. The parking parcels will also specially benefit because the parking availability will attract vehicular customers and revenue. The programs will maintain the area to attract commercial tenants and maintain lease rates for office parcels. For the retail, office, grocery, bank, auto service, attractions, entertainment office, parking, hotel and film lot uses within the District, each of these uses and assessed parcels specially benefit from BID funded programs and services through increased commerce, commercial rental income, commercial occupancies and overall economic vitality of the District. BID funded landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements enhance each assessed parcel by improving cleanliness, sanitation, beautification, safety, parking, business attraction and retention, and commerce for its business tenants, employees, customers, clients and visitors.

A summary of the SCPBID services are described below. Please see the Studio City Management District Plan for a detailed explanation of the Districts services, improvements and programs.

Landscaping, Sanitation, and Beautification

Of the services described below, Zone 1 will receive Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, tree trimming and landscaping services. Zone 2 will receive Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming services. Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones.

Sanitation Personnel: Sanitation personnel will collect and remove litter, including sidewalk and gutter weed removal. All individual assessed commercial, entertainment and parking parcels located within the boundaries of the District will receive these services. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and help meet the PBID Goals by increasing cleanliness and encouraging increased patronage and commerce on each individual assessed parcel because dirty sidewalks are deterrent to customers.

Trash Disposal: The District services trash receptacles in the district. The trash receptacles are located on the sidewalk throughout the District and will benefit all of the individual assessed commercial, entertainment and parking parcels within the boundaries of the District. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing

cleanliness and thereby encouraging increased patronage and commerce on each individual assessed parcel because trash is a deterrent to customers.

Sidewalk Cleaning: Sidewalks will be pressure washed throughout the District. All individual assessed commercial, entertainment and parking parcels within the boundaries of the District receive this special service. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and thereby encouraging increased patronage and commerce on each individual assessed parcel because dirty sidewalks are a deterrent to customers.

Graffiti Removal: The District will continue to provide graffiti removal services in the District. All individual assessed commercial, entertainment and parking parcels within the PBID will receive this benefit. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and thereby encouraging increased patronage and commerce on each individual assessed parcel because graffiti is a deterrent to customers.

Tree Trimming: The District will provide tree trimming services. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and improving landscaping and thereby encouraging increased patronage and commerce on each individual assessed parcel because trimmed palm trees prevent berries from falling to the ground and littering and staining the sidewalk.

Landscaping Services: The District will continue to provide landscaping and weed removal services in the District. All individual assessed commercial, entertainment and parking parcels in Zone 1 will benefit from this service. Parcels in Zone 2 will not receive nor be assessed for this service. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type in Zone 1 and meet the PBID Goals by increasing cleanliness and improving landscaping and thereby encouraging increased patronage and commerce on each individual assessed parcel. This service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing cleanliness and improving landscaping and thereby encouraging increased patronage and commerce on each individual assessed parcel because landscaping services create an inviting environment that attracts customers.

Marketing

Of the marketing services described below, both Zone 1 and 2 will receive website presence, other marketing promotions and the newsletter. Only Zone 1 will receive holiday decorations. Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones.

A marketing program will be implemented to promote the image of Studio City, attract and increase pedestrian and vehicular traffic, and promote the use of the Studio City Public Parking Structure. This marketing program helps meet the goals of business and service attraction and retention and increased commerce. The marketing program may include advertising, website, decorations, parking incentives, periodic shuttle services, or other promotions. Parcels in Zone 2 will not receive decorations because there are no high traffic areas in Zone 2 parcels and they will not be assessed for that service. The marketing programs will be designed to attract the desired market demographic with the intent to increase the public's awareness of the PBID as a single destination in order to attract consumers to the rich collection of attractions, events, and services which will ultimately lead to increased commerce. For example, the District will publish a newsletter to keep property owners informed of upcoming events and services. Marketing efforts will be designed to meet the PBID Goals of improving the commercial core by implementing programs to attract pedestrians, increase lease rates, commercial rentals, parking

revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries. The Owners' Association will continue to use its website to promote the assessed parcels in both Zones of the District in an effort to increase awareness of the District as a destination for consumers and tenants and increase occupancy and commerce on the assessed parcels. This website is designed to provide visitors information about the Studio City Business Improvement District and the Studio City Walk of Fame in order to attract these visitors and draw in more business in from out of the area, to meet the goals of increased commerce and improved economic vitality.

This marketing service will specially benefit the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by increasing awareness of each individual assessed parcel as a destination for customers and commercial tenants and making property owners and occupants aware of efforts being undertaken throughout the District, thereby encouraging increased patronage and increasing commerce on each individual assessed parcel of each Assessed Parcel Type because marketing programs attract customers.

Streetscape, Capital, Parking and Safety Improvements

The Streetscape, Capital, Parking and Safety Improvements category is intended to provide special benefits to the Assessed Parcel Types by implementing projects such as streetscape projects (i.e., purchase of trash receptacles or benches), one-time long lasting capital improvement projects (i.e., median construction or alley repaving), parking programs (i.e., parking promotions or periodic shuttle services) or safety improvements or enhancements (i.e., crosswalk improvements, safety personnel, speed feedback signs). By incorporating streetscape, capital, parking or safety improvements, the District continues to build long-lasting aesthetic enhancements. Funds may not be available to fund all of the above-mentioned examples of projects/programs. In the event sufficient funds are available, the Board of Directors may implement a shuttle or safety program. The District does not currently have a safety or shuttle program. Over time, the projects/programs implemented in this category will benefit each individually assessed parcel by creating long lasting, permanent improvements or services which create a more vibrant district and contribute to the parcels' economic success, economic vitality, and increased commerce.

Of the streetscape, capital parking and safety improvement services described below, Zone 1 will receive capital improvements, streetscape, address parking or safety issues, possible periodic shuttle services and safety enhancements. Zone 2 services will include streetscape projects and address parking or safety issues. Zone 2 does not have medians and therefore will not benefit from median landscaping services. Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones.

Capital improvement projects will specially benefit individual assessed parcels in Zone 1 of the District. This plan does not include capital improvement projects for Zone 2. Zone 2 is not assessed for capital improvement projects. These capital and streetscape projects provide long-lasting improvements that constantly improve the assessed parcels by building on a foundation the Owners' Association set in 1999. These aesthetic enhancements create a special benefit for individual assessed parcels within the PBID by improving the attractiveness of the parcels in an effort to encourage new business growth, development, and increased commerce. The Owner's Association may also need to address safety or parking issues within the District. The Owners' Association will work with property and business owners to identify and resolve issues related to safety or parking in the District. These services will be provided to individual assessed parcels located in Zone 1 of the District. Parcels located in Zone 2 will not receive or benefit from this service because any shuttle services will be provided along street frontage only within Zone 1 of the District. These Streetscape, Capital, Parking and Safety services are intended to

provide special benefits to the individual assessed parcels of each Assessed Parcel Type and meet the PBID Goals by improving beautification, attracting and retaining tenants, and increasing commerce for each individually assessed parcel of each Assessed Parcel Types. These are all special benefits because they increase commerce and add economic vitality. Assessed parcels that receive the streetscape, capital improvements, parking and safety services and programs as described above will specially benefit the assessed parcels by attracting more customers, visitors, employees and tenants thereby improving the economic vitality. These services improve commerce and economic vitality by creating long-lasting streetscape and capital improvement projects that enhance the attraction of the area, parking promotions that will attract more customers to the area, safety enhancements that will improve safety and deter crime, which are designed to increase commerce, and economic vitality.

Administration

Both Zone 1 and Zone 2 will benefit from the administrative services. Both Zone 1 and Zone 2 will benefit from this category. The Owners' Association will continue its administration services by implementing the programs outlined in this Management District Plan for the special benefit of the individual assessed parcels. This effort may also include pursuing opportunities such as applying for grants. The administrator's duties are a special benefit because they implement the PBID Goals, which specially benefit each individual assessed parcel.

Uncollected Assessments/Contingency

Both Zone 1 and Zone 2 will benefit from this category, with benefits proportional to their respective zones. Funds in the Uncollected Assessment Reserve/ Contingency category may be used for City/County collection fees, uncollected assessments, consulting fees, Business Improvement District (BID) renewal fees and additional projects the Owner's Association deems appropriate. This category will ensure that there are sufficient funds to provide PBID services which will in turn result in attracting more customers, visitors, employees and tenants as a result of the SCPBID programs, services and improvements, thereby increasing customers and economic vitality to the SCPBID. The funds from this category will improve commerce and economic vitality by supplementing all the SCPBID programs. Funds in this category may only be expended in any of the categories listed above. Funds in this category will be expended in a manner that is consistent with the PBID Goals. The uncollected assessment and contingency fund will specially benefit each individual assessed parcel of each Assessed Parcel Type because they are necessary to provide the services which specially benefit each individual assessed parcel.

Services by Zone

The services provided in each Zone are commensurate with the assessment in each Zone. The following chart provides a summary of services by zone.

Studio City PBID Summary of Services by Zone

	Zone 1	Zone 2
Landscape/ Sanitation/ Beautification	Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, tree trimming and landscaping services	Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming
Streetscape/ Capital Improvements	Capital improvements, streetscape, address parking or safety issues, periodic shuttle services*, safety enhancements*	Streetscape, address parking or safety issues
Marketing	Holiday decorations, website presence, other marketing promotions and newsletter	Website presence, other marketing promotions and newsletter
Administration	Implement PBID services for the benefit of the parcels	Implement PBID services for the benefit of the parcels
Uncollected Assessments/ Contingency	These funds will be expended proportionally to the services listed above	These funds will be expended proportionally to the services listed above

* If funds are sufficient

VI. DISTRICT ASSESSMENT FORMULA

Separation of Special and General Benefits

All identified parcels within the District boundaries shall be assessed to fund special benefit programs, services and improvements which are outlined in this report as well as the Management District Plan. Services, programs and improvements will only be provided to the assessed parcels inside the District boundaries and none will be provided outside of the District boundaries. Each assessed parcel will proportionately benefit from the BID funded Landscaping, Sanitation, Beautification, Marketing, Streetscape, Capital, Parking, and Safety Programs and Projects as these programs and projects will increase customers, commerce, commercial rental income and improve the economic vitality of the District by deterring crime, litter and debris, all considered detractions if not contained and properly managed. All BID funded services and improvements are considered supplemental above normal base level of services provided by the City of Los Angeles and are only provided for the special benefit of assessed parcels within the boundaries of the District. "Special benefit" is defined in the following section of this report.

As stipulated in Proposition 218, assessment District programs and activities confer a combination of general and special benefits to properties, but only the program benefits that provide special benefits can be assessed. For the purposes of this analysis, a "general benefit" is hereby defined as "A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied." "Special benefit" as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. The services to be provided by the District are supplemental services provided directly to assessed parcels, above and beyond those provided by the City of Los Angeles. The District's services will provide a "direct advantage"¹ to each individually assessed parcel and "affect the assessed property in a way that is particular and distinct from [their] effect on other parcels and that real property in general and the public at large do not share."²

Assessment law requires that the assessment on an individual parcel may not exceed the reasonable cost of the proportional special benefit conferred upon that parcel. 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. Case law requires that "...even minimal general benefits must be separated from special benefits and quantified so that the percentage of the cost of services and improvements representing general benefits, however slight, can be deducted from the amount of the cost assessed against specially benefitting properties."³ In accordance with the law this report will quantify and separate special and general benefits.

Special Benefit

The services provided by the District are all "over and above those already provided by the City" within the boundaries of the SCPBID. And they are particular and distinct benefits to be provided only to the properties within the SCPBID, not to the public at large – "they affect the assessed property in a way that is particular and distinct from [their] effect on other parcels and that real property in general and

the public at large do not share."⁴ Each and every parcel assessed within the SCPBID receives a particular and distinct benefit from the improvements and activities of the SCPBID, over and above general benefits conferred upon those parcels by the general activities of the City. The SCPBID services constitute special benefits to all of the assessed parcels. The property uses within the boundaries of the District which will receive special benefits from the SCBID funded programs and services are currently a mix of retail, office, grocery, bank, auto service, attractions, entertainment office, parking, and film lot. The landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, programs and improvements are primarily designed to provide special benefits as they will improve cleanliness, sanitation, beautification, and safety, enhance parking programs, business and service attraction and retention, and commerce within the SCPBID.

A summary of the proposed SCPBID programs, improvements and services are as follows:

- Landscaping, sanitation and beautification – sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, tree trimming and landscaping services
- Marketing – Advertising, website, holiday decorations and newsletter
- Streetscape, Capital, Parking and Safety Improvements – streetscape, capital improvements, parking programs and safety enhancements.
- Administration – Management of all activities, contracts, etc., of the BID and associated costs including accounting, insurance, etc. for the implementation of programs and services for assessed parcels.
- Uncollected Assessments - City and County fees, delinquencies and unforeseen expenses

Studies have found that "businesses consider quality-of-life issues to be more important factors in choosing a location than they do tax rates and real-estate prices;"⁵ and that customers "may feel more comfortable and safer within BIDs that have less obvious signs of litter, graffiti, and abandoned cars. A stronger sense of place that accompanies cleaner streets encourages... patronage and has increasingly positive repercussions in a BID."⁶ Following these studies, the District's services are designed to address parcel specific issues to increase landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration for the special benefit of assessed parcels.

The services will be provided directly to the assessed parcels, and will not be provided to parcels outside of the District. For example, the cleaning services will only be provided for individually assessed parcels within the District boundaries, and will not clean non-assessed parcels. Research has found that "BID areas experienced greater, on average, yearly reductions in the number of robbery, violent, and total crimes that non-BID areas do."⁷ This suggests that BID-funded services that deter crimes such as graffiti abatement are able to provide special benefits directly, and only, to the assessed parcels which they serve. All services will only be provided to the assessed parcels, they will not be provided to parcels outside the District or to the public at large within the District. These services, provided directly to the assessed parcels, constitute a special benefit to all of the assessed parcels.

⁴ *Dahms v. Downtown Pomona* (2009) 173 Cal.App.4th 1201.

⁵ RAND Corporation; *Neighborhood Effects on Crime and Youth Violence: The Role of Business Improvement Districts in Los Angeles* (2009) p. 8

⁶ RAND Corporation; *Neighborhood Effects on Crime and Youth Violence: The Role of Business Improvement Districts in Los Angeles* (2009) p. 40

⁷ RAND Corporation; *Neighborhood Effects on Crime and Youth Violence: The Role of Business Improvement Districts in Los Angeles* (2009) p. 80

¹ *Tiburon v. Bonander* (2009) 180 Cal.App.4th 1057, 1077.

² *Silicon Valley Taxpayers' Association Inc. v. Santa Clara County Open Space Authority* (2008) 44 Cal.4th 431, 452.

³ *Golden Hill Neighborhood Association, Inc. v. City of San Diego* (2011) 199 Cal. App. 4th 416.

Assessed commercial parcels will specially benefit from these programs, services and improvements because they are designed to attract more customers, increase commerce, commercial rental income, commercial occupancies and improve their overall economic vitality by deterring crime and reducing litter and debris, all considered detractors to commerce commercial occupancy rates and economic vitality if not contained and properly managed. The City of Los Angeles does not provide these programs and services. In the case of the District, the very nature of the purpose of this District is to fund supplemental programs, improvements and services to assessed parcels within the SCPBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. All benefits derived from the assessments to be levied on assessed parcels within the SCPBID are for services, programs and improvements directly benefiting each individual assessed parcel within the SCPBID. No BID funded services, activities or programs will be provided outside of the SCPBID boundaries.

For the retail, office, grocery, bank, auto service, attractions, entertainment office, parking, and film lot uses within the District, each of these uses and assessed parcels specially benefit from BID funded programs and services through increased commerce, commercial rental income, commercial occupancies and overall economic vitality. BID funded landscaping, sanitation, beautification, marketing, streetscape, capital, parking, safety, and administration services, uncollected assessments/contingency programs and improvements enhance each assessed parcel by improving cleanliness, sanitation, beautification, safety, parking, business attraction and retention, and commerce for its business tenants, employees, customers, clients and visitors. For example, the communication services (Marketing) provide important and beneficial information to property owners of each assessed parcel within the District via quarterly newsletters and an active website.

General Benefit

As required by the State Constitution Article XI¹¹ Section 4(a), the general benefits of an assessment district must be quantified and separated out so that the cost of the activities that are attributed to the general benefit are deducted from the cost assessed against each specially benefitted parcel. General benefits are benefits from the PBID services, programs and improvements that are not special in nature, and are not "particular and distinct" and are not over and above the benefits that other parcels receive. This analysis will calculate the level of general benefits that (1) the public at large may receive, (2) the parcels outside of the SCPBID boundaries may receive, and (3) the assessed parcels within the SCPBID boundaries may receive.

While every attempt is made to provide the programs, services and improvements of the SCPBID to confer benefits only to those identified assessed parcels within the BID, the California State Constitution was amended via Proposition 218 to state that general benefits exist either by design or unintentional, in all assessment districts and that a portion of the programs, services and improvement costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues. However, general benefits might be conferred on parcels within the District, or "spillover" onto parcels surrounding the District, or to the public at large who might be passing through the SCPBID with no intention of conducting any commerce within the SCPBID. Because the District's services and improvements are provided directly and only to the assessed parcels, and because they are unique and not provided by the City or any other public agency, they provide an entirely special benefit to the assessed parcels. In other words, there is no general benefit conveyed upon the assessed parcels by the District's services. The following analysis considers the general benefit bestowed upon the public at large and surrounding parcels by the District's services.

Although there is no scientific method to determine the respective relative general benefit, empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district can be calculated using the composite district overlay determination method. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the District, general benefit to the public at large within the District and general benefit to the parcels surrounding the District. Therefore, using the district overlay determination method in our general benefit calculation by an engineer with over twenty years' experience in assessment districts, it is possible to come to a reasonable conclusion as to the relative general benefit to the public-at-large and to parcels within and surrounding the District.

1. General Benefits to the Public-At-Large

The general benefit to the public at large includes people that are either inside the SCPBID boundary and not specially benefiting from the activities or parcels outside the boundaries of the SCPBID that may receive a spillover general benefit from the SCPBID activities. In the case of the SCPBID, the public at large is defined as individuals that are within the SCPBID boundary that are not paying an assessment and do not specially benefit from the SCPBID activities and will not engage in commerce. Since the main goal of the SCPBID is to attract pedestrians and increase vehicular traffic of the desired market demographic, increase lease rates, commercial rentals, parking revenues, retail customers, restaurant and diner, auto service and hotel patrons for the assessed parcels in the PBID boundaries, a determination is made of how many people are in the SCPBID boundary and not currently or ever will engage in commerce.

The Studio City PBID contracted with Farrand Research to conduct intercept surveys within the PBID boundary to determine to what degree respondents engage in any type of commercial activity (going to a restaurant/café/bar; conduct personal business, i.e. visit a bank, beauty salon tailor, dry cleaner; pay to park a car in the District, visit a retail business). The survey included 179 participants, with a margin of error of 7.3% and was conducted on October 17 and 19, 2013 at separate locations along Ventura Boulevard, the main commercial core of the District. During this process, all efforts were made to include an unbiased cross section of participants.

The first seven questions of the survey asked the respondent if they are likely, either today or at any point in the future, to engage in any type of commerce activity that is represented through the district such as going to a restaurant/café/bar; conduct personal business, i.e. visit a bank, beauty salon tailor, dry cleaner; pay to park a car in the District, visit a retail business. Of the 179 surveys, none responded that they were not likely to engage in any type of commerce. That means that 100% of the respondents indicated that they will and intend to engage in at least one of the commerce activities asked in the survey and that the PBID services (i.e., landscaping, sanitation, beautification streetscape improvements) contribute to their decision to come to the District and engage in commerce. Therefore, 0% (0/179) of the total survey responses represents the general benefit to the public at large.

2. General Benefits to Adjacent Parcels

None of the SCPBID services will be provided directly to parcels outside the SCPBID boundaries. One study examining property values in BID areas found "no evidence of spill-over impacts (either good or bad) on commercial properties located just outside the BID's boundaries."⁸ It is, nonetheless,

⁸ Furman Center for Real Estate & Urban Policy: The Impact of Business Improvement Districts on Property Values: Evidence from New York City (2007) p. 4

reasonable to conclude that increased safety, cleanliness, and attractiveness in the District may have an indirect impact on parcels immediately adjacent to (just outside of) the District boundaries.

In the case of the SCPBID, the surrounding parcels are those that are outside of the SCPBID's boundary that may receive a general benefit from landscaping, sanitation and beautification programs. Surrounding parcels are defined as parcels that are immediately adjacent to or immediately across the street from the SCPBID parcels where the PBID services are delivered. In order to calculate the general benefit that parcels adjacent to the Studio City PBID may receive, the percentage of each SCPBID activity budget attributed to these parcels must be determined. The table below shows the budgets for each of the PBID activities that may have spillover benefit and their respective percentage of the total SCPBID budget. A Relative Benefit factor is then applied to each of the activities accounting for the potential benefit parcels outside of the district may receive. The relative benefit factor is a basic unit of measure that compares the benefit that the parcels within the District receive compared to parcels outside of the District. Since the parcels in the District boundary receive 100% of the special benefit, they are assigned a relative benefit factor of 1.0 for each SCPBID activity. Since the parcels outside of the district boundary do not directly receive any SCPBID activity, they are assigned a relative benefit factor less than 1.0 for each SCPBID activity. There is no scientific method to determine the respective relative benefit. However, in our professional experience of over 20 years as a Registered Civil Engineer, the relative benefit factors are reasonable to conclude.

In the case of the Studio City PBID, each of the activities under Marketing, i.e., newsletter and website management, specially benefit all parcels in the PBID as these activities strictly target and advertise the parcels within the PBID boundary. This type of PBID activity does not have a spillover benefit and does not provide either a special benefit or general benefit to parcels outside the District. For example, the quarterly newsletter is only distributed to property and business owners within the District. The website has a directory of only those businesses within the District. Landscaping, Sanitation, Beautification category and the Streetscape, Capital Parking and Safety Improvements category are site specific to each parcel within the PBID boundary. However, the parcels immediately adjacent to the boundary may visually see the effects of the Landscaping, Sanitation, Beautification category and the Streetscape, Capital Parking and Safety Improvements category and thus, may receive a nominal spillover benefit. These activities can clearly be seen as they are very distinct. For example, a visitor can clearly see the difference between parcels in the District and those outside such as the center medians on Ventura Boulevard. Based upon our experience, the relative benefit factor for the Landscaping, Sanitation, Beautification and the Streetscape, Capital Parking and Safety Improvements categories is .25. The relative benefit factor is then multiplied by the respective PBID budget category percentage to determine the overall benefit factor. The following table illustrates this calculation.

PBID Activities Budget:	Service Budget	Percent of Total	x	Relative Benefit	=	Benefit Factor
Budget for Landscaping, Sanitation, and Beautification	\$205,082.10	42.00%		0.25		0.1050
Budget for Streetscape, Capital Parking, and Safety Improvements	\$112,306.86	23.00%		0.25		0.0575
Budget for Marketing	\$58,594.89	12.00%		0.25		0.0300
TOTAL PBID SERVICE BUDGET	\$488,290.71					0.1925

Based on the criteria of identifying the parcels outside of the PBID boundary, there are 97 parcels that do not directly receive the PBID services, programs and improvements but may receive some spill-over benefit. The parcels outside of the PBID boundary are assigned a total benefit factor of .16 to account

for the fact that they may benefit from the Landscaping, Sanitation, Beautification and the Streetscape, Capital Parking and Safety Improvements that may encourage commerce not only within the PBID boundary, but immediately adjacent to it.

In comparison, there are 222 parcels within the PBID boundary, all of which receive a benefit factor of 1.0 acknowledging that they receive 100% special benefit from the PBID services, programs and improvements. To calculate the general benefit percentage, the respective benefit factors must be applied to the number of parcels both within the PBID boundary and those that are outside of the PBID boundary. The table below shows the calculation for the general benefit percentage.

	Number of Parcels	x	Benefit Factor	=	Total Benefit Units
Number of Parcels in District	222		1.0000		222.00
Number of Parcels Adjacent to District, not within the SCPBID Boundary	97		0.1925		18.67
TOTAL	319				240.67

General Benefit to parcels outside of the District boundary is therefore 7.76%. (18.67/240.67) Total Benefit Unit calculations are rounded up or down to two decimal places.

Using the sum of the two measures of general benefit described above (0% + 7.76%), we can find that approximately 6.53% of the benefits conferred by the PBID services, programs and improvements may be general in nature and will be funded from sources other than special assessments.

Total General Benefit

Based upon previous evaluations, in this Engineer's professional estimation, the total value of general benefit, provided to the public-at-large and parcels surrounding the District is **\$37,891.36**. (\$488,290.71 x 7.76%)

Programs provided by SCPBID receive non-assessment funding in the form of grants, corporate sponsorships, event income, and other miscellaneous funds. These non-assessment funds will be used to pay for the general benefit provided by the proposed services, ensuring that parcel assessment dollar will only be used to provide special benefits.

Cost Estimate

The Studio City PBID 2015 calendar year operating budget takes into consideration:

1. The programs, services and improvements needed to provide special benefits to each individual assessed parcel within the District boundary
2. The parcels that specially benefit from said programs, services, and improvements
3. The costs associated with the special and general benefits conferred.

The table on the following page outlines the distribution of the SCPBID initial year service budget.

PBID Categories and Percentage of 2015 Service Budget

Expenditures	% of Budget	42% Landscaping, Sanitation, Beautification	23% Streetscape / Capital Improvements	12% Marketing	18% Administration	5% Uncollected Assessments/ Contingency	Total Budget
Zone 1	93.84%	\$192,449.04	\$105,388.76	\$54,985.44	\$82,478.16	\$22,910.60	\$458,212.00
Zone 2	6.16%	\$12,633.06	\$6,918.10	\$3,609.44	\$5,414.17	\$1,503.94	\$30,078.71
TOTAL EXPENSES	100%	\$205,082.10	\$112,306.86	\$58,594.89	\$87,892.33	\$24,414.54	\$488,290.71
Revenues							
Assessment Funds	92.24%	\$189,167.73	\$103,591.85	\$54,047.92	\$81,071.88	\$22,519.97	\$450,399.35
General Benefit Funds*	7.76%	\$15,914.37	\$8,715.01	\$4,546.96	\$6,820.44	\$1,894.57	\$ 37,891.96
TOTAL REVENUES	100%	\$205,082.10	\$112,306.86	\$58,594.89	\$87,892.33	\$24,414.54	\$488,290.71

* Other non-assessment funding to cover the cost associated with general benefit.

Assessment Formula

Parcel owners have emphasized that an assessment formula for the District be fair, balanced, and commensurate with benefits received. The assessment rates are shown below.

Assessment Variable	Zone 1	Zone 2
Parcel square footage	\$0.035/sq. ft.	\$0.018/sq. ft.
Linear frontage along Ventura Blvd.	\$19.25/lin. ft.	N/A
Linear frontage along other streets	\$5.77/lin. ft.	\$1.92/lin. ft.

"Because not all parcels in the district are identical in size and other characteristics, some will receive more special benefit than others."⁹ The assessment rate has been designed to account for these differences, and "reflects costs allocated according to relative benefit received"¹⁰ by each parcel. Each parcel will pay for its fair share of the special benefits it receives. It is appropriate to assess parcels based on parcel square footage because square footage correlates directly to special benefits to be received: the larger the parcel, the greater the need for services, and the greater the special benefits derived from the District's services; plus, services are designed to meet the PBID Goals which will affect and benefit each individual assessed parcel as a whole. Thus, square footage is an appropriate measure of special benefit.

Linear street frontage is also an appropriate measure of benefit because many of the services will be provided to the front of the parcel along streets, primarily Ventura Boulevard. Ventura Boulevard is the primary street in the District that where the majority of the District's commercial corridor is located. Within the District boundaries, Ventura Boulevard has over 300 businesses in the District. Furthermore, it is the main boulevard travelled by vehicular traffic in the District. Frontage also indicates the amount of the parcel that is directly visible from the street, which relates to ease of access and increased commerce. The more frontage a parcel has, the larger the service area for cleaning, beautification, streetscape, and landscaping programs. Individually-assessed parcels shall be assessed at a parcel square footage and linear front footage rate which does not exceed each parcel's proportionate special benefit derived from the services provided. Zone 2 parcels will not pay linear street frontage on Ventura

⁹ Dahms v. Downtown Pomona (2009) 173 Cal.App. 4th 1201.

¹⁰ Tiburon v. Bonander (2009) 180 Cal.App. 4th 1057, 1077.

Boulevard because they do not have street frontage on Ventura Boulevard. The Zone 2 parcels which front other streets will pay a lower rate per linear front foot along the other streets. The other streets will be serviced by the District, but to a lesser degree than Ventura Boulevard. The other streets are not as heavily trafficked as Ventura Boulevard, nor do they have medians or other unique improvements for servicing.

Because of the cohesive commercial nature and shared PBID Goals, the Assessed Parcel Types all receive and benefit from the PBID services by zone; the only difference in the benefit received by Assessed Parcel Types is that caused by their size and frontage (which is accounted for in the assessment formula) and that caused by the lack of frontage on Zone 2 parcels, which is accounted for by the Zone 2 assessment rate. The retail, office, grocery, bank, auto service, storage are all commercial parcels with the same needs and share the PBID Goals; these parcels will receive benefits for their respective zones such including landscaping, sanitation, beautification, streetscape, capital improvements, marketing and safety enhancements that are intended to experience greater patronage and benefit from improved economic success and increased commerce. The entertainment, attractions, and film lot parcels are all entertainment parcels with the same needs and PBID Goals; these parcels will experience greater patronage and benefit from improved economic success and increased commerce. The parking parcels are publicly-owned lots which will also experience increased patronage, which benefits the lots via increased parking fees.

The following table identifies how the assessed parcels will benefit by zone:

Studio City PBID Summary of Services by Zone

	Zone 1	Zone 2
Landscaping/ Sanitation/ Beautification	Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, tree trimming and landscaping services	Sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal and tree trimming
Streetscape/ Capital Improvements	Capital Improvements, streetscape, address parking or safety issues, periodic shuttle services*, safety enhancements*	Streetscape, address parking or safety issues
Marketing	Holiday decorations, website presence, other marketing promotions and newsletter	Website presence, other marketing promotions and newsletter
Administration	Administer PBID services for the benefit of all parcels	Administer PBID services for the benefit of all parcels
Uncollected Assessments/ Contingency	These funds will be expended proportionally to the services listed above	These funds will be expended proportionally to the services listed above

* If funds are sufficient

The assessments for individually-assessed parcels have been "apportioned in relation to the entirety of the project's assessable costs"¹¹ attributable to their respective Zone. For the purpose of calculating and apportioning the special benefit accruing to individually-assessed parcels within the District, a budget has been established which includes and reflects the proportionate value of the special benefits that will be provided to individually-assessed parcels. The assessment rate was calculated by first identifying the

¹¹ Ibid

specific characteristics (parcel zoning, parcel size, and parcel street frontage) of each individually-assessed parcel in the District and using those characteristics to calculate each parcel's fair share of the value of the special benefit. Then, the various services to be provided throughout the District were allocated to individually-assessed parcels based on the level of service and value of special benefit to those parcels. Based on the parcel characteristics and special benefit value, the assessment rates in the table above were calculated.

Based on the special benefit received by parcels within the District, and assuming the maximum 4% annual assessment rate increase, the annual assessment fund budget for each year of the District's five-year operation is shown below:

Maximum Annual Assessment Budget				
2015	2016	2017	2018	2019
\$450,399.35	\$468,415.32	\$487,151.94	\$506,638.01	\$526,903.54

Assessment Calculation

The following steps were taken to identify and calculate the assessment rate and individual parcel assessments.

Step One: Parcel Variables

The first step was to identify variables of parcels. The parcel square footage and linear front footage of individually-assessed parcels were examined to identify the following assessable characteristics:

Benefit Zone	Total Parcel Square Feet	Total Ventura Frontage	Total Other Frontage
1	2,952,043	13,941	8,834
2	1,397,723	0	1,345

Step Two – Assessment Rate

To determine the assessment rate, the total special benefit value for each parcel type was divided by the parcel characteristics.

Benefit Zone	Budget		Total Lot Square Feet		Rate
1	\$103,321.51	÷	2,952,043	=	\$0.035
2	25,159.01	÷	1,397,723	=	\$0.018

Benefit Zone	Budget		Total Ventura Frontage		Rate
1	268,364.25	÷	13,941	=	\$19.25
2	-	÷	-	=	-

Benefit Zone	Budget		Total Other Frontage		Rate
1	\$50,972.18	÷	8,834	=	\$5.77
2	2,582.40	÷	1,345	=	\$1.92

Sample Assessment Calculation

For example, a commercial parcel in Zone 1 with 1,000 parcel square feet, 100 linear feet of frontage on Ventura Boulevard, and no frontage on other streets, would be assessed as follows:

Variable	Amount on Parcel		Assessment Rate	Assessment
Parcel Square Feet	1,000	x	\$0.035	\$35.00
Ventura Frontage	100	x	\$19.25	\$1,925.00
			Total	\$1,960.00

Changes to Zoning

If the zoning of a parcel changes during the term of the District (e.g. a commercial parcel is converted to residential, or vice versa), the assessment calculation may be modified accordingly, pursuant to Government Code 53750.

Assessments on Public Parcels

Proposition 218, also known as "The Right to Vote on Taxes Act," states that "parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit." All public parcels in the SCPBID receive District services and special benefits from those services and are assessed at the full parcel rate. The City of Los Angeles owns three parcels in the District that collectively comprise the Studio City Parking Garage (Lot 690) located at 12225 Ventura Boulevard in Studio City. The parcel will directly receive and benefit from the programs and services of the PBID. Marketing services will benefit the parcels by increasing patronage and therefore increase parking revenues for the parking garage. Sanitation, landscaping and beautification services will benefit the public parcels by keeping the area clean and beautiful. Should sufficient funds become available to establish a shuttle program, the public parcels will benefit from a shuttle stop in front of the public parking garage. All publicly-owned, individually-assessed parcels will receive all of the services provided; therefore, those parcels will be assessed at the full rate.

Assessment law also requires the determination of the proportionate special benefit derived by each parcel in relationship to the entirety of the cost of improvement(s) or the maintenance and operation expenses or the cost of the parcel-related service being provided. In addition, no assessment may exceed the reasonable cost of the proportional special benefit conferred on parcel(s). The proportionate special benefit accruing to each parcel has been allocated based on the lot size and linear frontage of each parcel, thus the total amount to be assessed will not exceed the estimated reasonable cost of the activities and improvements to be provided, and no assessment will exceed the reasonable cost of the proportional special benefit conferred on the parcel.

City of Los Angeles

Map Key	31	30	29
Assessor's Parcel Number	2367017902	2367017901	2367017900
Parcel Size	1780	29948	25199
Frontage Other Streets (lin. ft.)	0.00	0.00	0.00
Frontage Ventura Blvd. (lin. ft.)	10.00	28.00	0.00
Ventura Frontage Assessment	\$192.5	\$539.00	\$0.00
Other Street Frontage Assessment	\$0.00	\$0.00	\$0.00
Parcel Size Assessment	\$62.30	\$1048.18	\$453.58
Zone	1	1	2
Total Assessment	\$254.80	\$1587.18	\$453.58
Use	Parking Lot	Parking Lot	Parking Lot

Residential and Agricultural Parcels

California Streets and Highways Code section 36632(c) states, "Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessment pursuant to this part." Therefore, parcels that are zoned R1 through R3, parcels zoned RD1.5 through RD3 will not be assessed. There are no agricultural zoned parcels within the District boundaries.

Time and Manner for Collecting Assessments

Tax Bills

For most parcels, as provided by State law, the District special assessment will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. The City of Los Angeles will directly bill property owners or entities that do not appear on the tax roll. Property tax bills and direct bills are generally distributed in the fall, and payment is expected by lump sum or installments. The County of Los Angeles shall distribute funds collected to the City of Los Angeles. The City of Los Angeles will then disburse the funds to the Owners' Association, pursuant to a contract between the City and Owners' Association. Unpaid assessments will be added to the assessment due for the following year. If a property owner billed by the City fails to pay the amount due in full to the City before the assessment roll for the following tax year is due to the County, the City may place the delinquent assessment on the tax roll in addition to the current years' assessment. Any delinquent amounts collected by the City are eligible for the same penalties imposed on delinquent property taxes.

Assessment Notice

An Assessment Notice will be sent to owners of each individually-assessed parcel in the District Boundary Description (Section II) and Boundary Map (Appendix II) and included in the Assessment Calculation Table (Appendix I) of this Engineer's Report. The Assessment Notice provides an estimated assessment based upon the parcel size (square footage), parcel street frontage (linear footage), and parcel zoning. The final individual assessment for any particular parcel may change, up or down, if the parcel areas or street frontage differ from those found on the Assessment Notice.

Bonds

Bonds will not be issued to finance services as a part of this Studio City PBID.

Future Development

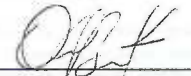
As a result of continued development, the District may experience the addition or subtraction of assessable square footage or frontage for parcels included and assessed within the District boundaries. The modification of parcels may then change upwards or downwards the amount of total assessment for these parcels. In future years, the assessments for the special benefits bestowed upon the included PBID parcels may change in accordance with the assessment methodology formula listed in this Engineer's Report, provided the assessment rate does not change. If the assessment formula changes, then a Proposition 218 ballot will be required for approval of the formula changes, pursuant to California Code 53753.

Any remaining funds, including any remaining funds from the Streetscape, Capital, Parking and Safety Improvements category, will be used to renew the Studio City Business Improvement District.

VII. ENGINEER'S CERTIFICATION

I hereby certify, to the best of my knowledge and experience, that each of the identified benefiting parcels located within the Studio City Property and Business Improvement District will receive a special benefit over and above the general benefits conferred and that the amount of the assessment is no greater than the proportional special benefits conferred on each assessed parcel, as described in this Engineer's Report.

Preparation of the Engineer's Report for the Studio City Property and Business Improvement District was completed by:


 Orin N. Bennett, PE
 State of California
 Registered Civil Engineer No. 25169
 June 12, 2014
 Date



This Engineer's Report is intended to be distributed in its entirety, including the Boundary Description (Section IV), the Assessment Calculation Table (Appendix 1), and the Boundary Map (Appendix 2). Reproduction and distribution of this Engineer's Report without Appendices violates the intent of this stamp and signature.

APPENDIX 1: ASSESSMENT CALCULATION TABLE

Map ID	Assessor's Parcel Number (APN)	Assessed Parcel Size ¹ (sqft)	Initial Annual Parcel Assessment (\$/sqft/yr)	Assessed Ventura Blvd Frontage ² (lin ft)	Initial Annual Ventura Blvd Frontage Assessment (\$/lin ft/yr)	Assessed Other Street Frontage ³ (lin ft)	Initial Annual Other Street Frontage Assessment (\$/lin ft/yr)	Benefit Zone	Total Initial Annual Assessment (\$/yr)	Exempt ⁴
1	2367015001	40,511	\$0.035	0	\$19.25	175	\$5.77	1	\$2,427.64	
2	2367016002	25,378	\$0.035	73	\$19.25	0	\$5.77	1	\$2,293.48	
3	2367016003	19,188	\$0.035	55	\$19.25	0	\$5.77	1	\$1,730.33	
4	2367016004	9,840	\$0.018	0	\$0.00	0	\$1.92	2	\$177.12	
5	2367016005	11,400	\$0.035	60	\$19.25	0	\$5.77	1	\$1,554.00	
6	2367016006	8,499	\$0.018	0	\$0.00	0	\$1.92	2	\$152.98	
7	2367016007	10,500	\$0.035	70	\$19.25	0	\$5.77	1	\$1,715.00	
8	2367016008	9,797	\$0.035	70	\$19.25	0	\$5.77	1	\$1,690.40	
9	2367016009	23,087	\$0.018	0	\$0.00	0	\$1.92	2	\$415.57	
10	2367016010	38,328	\$0.035	100	\$19.25	0	\$5.77	1	\$3,266.48	
11	2367016011	19,746	\$0.035	50	\$19.25	0	\$5.77	1	\$1,653.61	
12	2367016012	12,889	\$0.035	50	\$19.25	0	\$5.77	1	\$1,413.62	
13	2367016013	14,810	\$0.035	137	\$19.25	107	\$5.77	1	\$3,772.99	
14	2367016014	20,473	\$0.035	80	\$19.25	0	\$5.77	1	\$2,256.56	
15	2367016015	11,761	\$0.035	0	\$19.25	146	\$5.77	1	\$1,254.06	
16	2367016016	33,977	\$0.035	0	\$19.25	206	\$5.77	1	\$2,377.82	
17	2367016017	126	\$0.035	0	\$19.25	18	\$5.77	1	\$108.27	
18	2367016018	25,260	\$0.035	73	\$19.25	0	\$5.77	1	\$2,289.35	
19	2367017003	47,838	\$0.035	138	\$19.25	28	\$5.77	1	\$4,492.39	
20	2367017006	37,026	\$0.035	93	\$19.25	0	\$5.77	1	\$3,086.16	
21	2367017007	5,597	\$0.035	40	\$19.25	0	\$5.77	1	\$965.90	
22	2367017008	9,696	\$0.018	0	\$0.00	0	\$1.92	2	\$174.53	
23	2367017010	16,744	\$0.035	46	\$19.25	0	\$5.77	1	\$1,471.54	
24	2367017011	20,517	\$0.035	56	\$19.25	0	\$5.77	1	\$1,796.10	
25	2367017013	18,160	\$0.035	50	\$19.25	0	\$5.77	1	\$1,598.10	
26	2367017015	13,608	\$0.035	77	\$19.25	0	\$5.77	1	\$1,958.53	
27	2367017016	29,046	\$0.035	159	\$19.25	169	\$5.77	1	\$5,052.49	
28	2367017017	19,630	\$0.035	110	\$19.25	0	\$5.77	1	\$2,804.55	
29	2367017900	25,199	\$0.018	0	\$0.00	0	\$1.92	2	\$453.58	
30	2367017901	29,948	\$0.035	28	\$19.25	0	\$5.77	1	\$1,587.18	
31	2367017902	1,780	\$0.035	10	\$19.25	0	\$5.77	1	\$254.80	
32	2367018001	9,069	\$0.035	106	\$19.25	91	\$5.77	1	\$2,882.99	
33	2367018002	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
34	2367018003	4,500	\$0.035	50	\$19.25	0	\$5.77	1	\$1,120.00	
35	2367018008	6,747	\$0.035	75	\$19.25	0	\$5.77	1	\$1,679.90	

Map ID	Assessor's Parcel Number (APN)	Assessed Parcel Size ¹ (sqft)	Initial Annual Parcel Assessment (\$/sqft/yr)	Assessed Ventura Blvd Frontage ² (lin ft)	Initial Annual Ventura Blvd Frontage Assessment (\$/lin.ft/yr)	Assessed Other Street Frontage ² (lin ft)	Initial Annual Other Street Frontage Assessment (\$/lin.ft/yr)	Benefit Zone	Total Initial Annual Assessment (\$/yr)	Exempt ³
36	2367018009	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
37	2367018010	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
38	2367018011	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
39	2367018012	4,500	\$0.035	50	\$19.25	0	\$5.77	1	\$1,120.00	
40	2367018015	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
41	2367018016	4,447	\$0.035	54	\$19.25	70	\$5.77	1	\$1,599.05	
42	2367018017	2,997	\$0.035	47	\$19.25	67	\$5.77	1	\$1,396.24	
43	2367018018	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
44	2367018019	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
45	2367018020	4,500	\$0.035	50	\$19.25	0	\$5.77	1	\$1,120.00	
46	2367018021	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
47	2367018022	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
48	2367018023	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
49	2367018024	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
50	2367018025	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
51	2367018026	4,500	\$0.035	50	\$19.25	0	\$5.77	1	\$1,120.00	
52	2367018027	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
53	2367018028	4,500	\$0.035	50	\$19.25	0	\$5.77	1	\$1,120.00	
54	2367018029	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
55	2367018030	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
56	2367018031	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
57	2367018034	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
58	2367018035	2,248	\$0.035	25	\$19.25	0	\$5.77	1	\$559.93	
59	2367018036	3,128	\$0.035	30	\$19.25	90	\$5.77	1	\$1,206.28	
66	2367018053	4,500	\$0.035	50	\$19.25	0	\$5.77	1	\$1,120.00	
67	2367018054	8,999	\$0.035	100	\$19.25	0	\$5.77	1	\$2,239.97	
68	2367018055	4,500	\$0.035	50	\$19.25	0	\$5.77	1	\$1,120.00	
69	2368002001	9,339	\$0.035	0	\$19.25	198	\$5.77	1	\$1,469.33	
70	2368002002	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
71	2368002003	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
72	2368002006	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
73	2368002007	2,496	\$0.035	0	\$19.25	25	\$5.77	1	\$231.61	
74	2368002008	2,496	\$0.035	0	\$19.25	25	\$5.77	1	\$231.61	
75	2368002009	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
76	2368002010	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
77	2368002011	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
78	2368002012	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	

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79	2368002013	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
80	2368002014	5,079	\$0.035	0	\$19.25	50	\$5.77	1	\$466.27	
81	2368002015	4,757	\$0.035	0	\$19.25	55	\$5.77	1	\$483.85	
82	2368002016	5,266	\$0.035	0	\$19.25	52	\$5.77	1	\$484.35	
83	2368002017	11,330	\$0.035	0	\$19.25	107	\$5.77	1	\$1,013.94	
84	2368002018	14,140	\$0.035	0	\$19.25	207	\$5.77	1	\$1,689.29	
85	2368002033	15,438	\$0.018	0	\$0.00	262	\$1.92	2	\$780.92	
86	2368002034	11,369	\$0.035	179	\$19.25	111	\$5.77	1	\$4,484.14	
87	2368002035	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
88	2368002036	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
89	2368002037	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
90	2368002038	29,107	\$0.035	196	\$19.25	171	\$5.77	1	\$5,778.42	
91	2368002039	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
92	2368002040	4,996	\$0.035	0	\$19.25	50	\$5.77	1	\$463.36	
93	2368002041	8,700	\$0.035	0	\$19.25	237	\$5.77	1	\$1,671.99	
94	2368002042	26,567	\$0.035	0	\$19.25	363	\$5.77	1	\$3,024.36	
95	2368002043	19,998	\$0.035	0	\$19.25	200	\$5.77	1	\$1,853.93	
96	2368003001	4,914	\$0.018	0	\$0.00	141	\$1.92	2	\$359.17	
99	2368005011	1,288,069	\$0.018	0	\$0.00	942	\$1.92	2	\$24,993.88	
100	2368006001	8,529	\$0.035	64	\$19.25	110	\$5.77	1	\$2,165.22	
101	2368006002	5,998	\$0.035	50	\$19.25	0	\$5.77	1	\$1,172.43	
102	2368006003	5,998	\$0.035	50	\$19.25	0	\$5.77	1	\$1,172.43	
103	2368006004	5,998	\$0.035	50	\$19.25	0	\$5.77	1	\$1,172.43	
104	2368006005	17,999	\$0.035	150	\$19.25	0	\$5.77	1	\$3,517.47	
105	2368006006	2,997	\$0.035	25	\$19.25	0	\$5.77	1	\$586.15	
106	2368006007	2,997	\$0.035	25	\$19.25	0	\$5.77	1	\$586.15	
107	2368006008	5,998	\$0.035	50	\$19.25	0	\$5.77	1	\$1,172.43	
108	2368006009	5,998	\$0.035	50	\$19.25	0	\$5.77	1	\$1,172.43	
109	2368006010	5,998	\$0.035	50	\$19.25	0	\$5.77	1	\$1,172.43	
110	2368006011	11,914	\$0.035	131	\$19.25	100	\$5.77	1	\$3,515.74	
118	2368006024	17,912	\$0.035	161	\$19.25	100	\$5.77	1	\$4,303.17	
120	2369001009	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
121	2369001010	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
122	2369001011	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
123	2369001012	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
124	2369001016	3,746	\$0.035	38	\$19.25	0	\$5.77	1	\$862.61	
125	2369001017	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	

Map ID	Assessor's Parcel Number (APN)	Assessed Parcel Size ¹ (sqft)	Initial Annual Parcel Assessment (\$/sqft/yr)	Assessed Ventura Blvd Frontage ² (lin ft)	Initial Annual Ventura Blvd Frontage Assessment (\$/lin ft/yr)	Assessed Other Street Frontage ² (lin ft)	Initial Annual Other Street Frontage Assessment (\$/lin ft/yr)	Benefit Zone	Total Initial Annual Assessment (\$/yr)	Exempt ³
126	2369001018	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
127	2369001019	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
128	2369001021	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
129	2369001022	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
130	2369001023	4,996	\$0.035	50	\$19.25	100	\$5.77	1	\$1,714.36	
131	2369001024	6,247	\$0.035	63	\$19.25	0	\$5.77	1	\$1,431.40	
132	2369001025	6,991	\$0.035	129	\$19.25	145	\$5.77	1	\$3,564.59	
133	2369002017	2,679	\$0.035	27	\$19.25	100	\$5.77	1	\$1,190.52	
134	2369002018	5,179	\$0.035	52	\$19.25	0	\$5.77	1	\$1,182.27	
135	2369002020	7,497	\$0.035	75	\$19.25	0	\$5.77	1	\$1,706.15	
136	2369002021	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
137	2369002022	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
138	2369002023	9,997	\$0.035	100	\$19.25	0	\$5.77	1	\$2,274.90	
139	2369002024	2,495	\$0.035	25	\$19.25	0	\$5.77	1	\$568.58	
140	2369002025	2,500	\$0.035	25	\$19.25	0	\$5.77	1	\$568.75	
141	2369002026	9,997	\$0.035	100	\$19.25	0	\$5.77	1	\$2,274.90	
142	2369002027	1,999	\$0.035	20	\$19.25	0	\$5.77	1	\$454.97	
143	2369002028	2,997	\$0.035	30	\$19.25	0	\$5.77	1	\$682.40	
144	2369002029	4,996	\$0.035	50	\$19.25	100	\$5.77	1	\$1,714.36	
145	2369004023	4,896	\$0.035	49	\$19.25	100	\$5.77	1	\$1,691.61	
146	2369004024	5,097	\$0.035	51	\$19.25	0	\$5.77	1	\$1,160.15	
147	2369004025	5,000	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.50	
148	2369004026	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
149	2369004027	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
150	2369004028	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
151	2369004029	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
152	2369004030	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
153	2369004031	7,497	\$0.035	75	\$19.25	0	\$5.77	1	\$1,706.15	
154	2369004032	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
155	2369004033	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
156	2369004034	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
157	2369004035	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
158	2369004036	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
159	2369004037	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
160	2369004038	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
161	2369004039	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
162	2369004040	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	

Map ID	Assessor's Parcel Number (APN)	Assessed Parcel Size ¹ (sqft)	Initial Annual Parcel Assessment (\$/sqft/yr)	Assessed Ventura Blvd Frontage ² (lin ft)	Initial Annual Ventura Blvd Frontage Assessment (\$/lin ft/yr)	Assessed Other Street Frontage ² (lin ft)	Initial Annual Other Street Frontage Assessment (\$/lin ft/yr)	Benefit Zone	Total Initial Annual Assessment (\$/yr)	Exempt ³
163	2369004041	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
164	2369004042	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
165	2369004043	4,996	\$0.035	50	\$19.25	0	\$5.77	1	\$1,137.36	
166	2369004044	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
167	2369004045	2,496	\$0.035	25	\$19.25	0	\$5.77	1	\$568.61	
168	2369004046	6,011	\$0.035	51	\$19.25	102	\$5.77	1	\$1,780.68	
169	2369014001	32,984	\$0.035	103	\$19.25	268	\$5.77	1	\$4,683.55	
170	2369014002	28,314	\$0.035	100	\$19.25	0	\$5.77	1	\$2,915.99	
171	2369014003	7,096	\$0.035	25	\$19.25	0	\$5.77	1	\$729.61	
172	2369014004	7,096	\$0.035	25	\$19.25	0	\$5.77	1	\$729.61	
173	2369014005	14,196	\$0.035	50	\$19.25	0	\$5.77	1	\$1,459.36	
174	2369014006	11,696	\$0.035	65	\$19.25	0	\$5.77	1	\$1,660.61	
175	2369014007	14,449	\$0.035	85	\$19.25	0	\$5.77	1	\$2,141.97	
176	2369014008	27,600	\$0.035	185	\$19.25	149	\$5.77	1	\$5,386.98	
177	2369014009	7,985	\$0.018	0	\$0.00	0	\$1.92	2	\$143.73	
178	2369014010	21,157	\$0.035	0	\$19.25	106	\$5.77	1	\$1,352.12	
179	2369015003	21,296	\$0.035	0	\$19.25	100	\$5.77	1	\$1,322.36	
180	2369015006	13,559	\$0.035	0	\$19.25	50	\$5.77	1	\$763.07	
181	2369015013	6,538	\$0.035	0	\$19.25	35	\$5.77	1	\$430.78	
182	2369015015	4,996	\$0.018	0	\$0.00	0	\$1.92	2	\$89.93	
183	2369015016	152,460	\$0.035	438	\$19.25	0	\$5.77	1	\$13,767.60	
184	2369015017	2,657	\$0.035	0	\$19.25	17	\$5.77	1	\$191.09	
185	2369015018	27,617	\$0.035	0	\$19.25	100	\$5.77	1	\$1,543.60	
186	2369015019	66,211	\$0.035	262	\$19.25	327	\$5.77	1	\$9,247.68	
187	2369016001	5,506	\$0.035	50	\$19.25	110	\$5.77	1	\$1,789.91	
188	2369016002	5,527	\$0.035	50	\$19.25	0	\$5.77	1	\$1,155.95	
189	2369016003	2,762	\$0.035	25	\$19.25	0	\$5.77	1	\$577.92	
190	2369016004	2,766	\$0.035	25	\$19.25	0	\$5.77	1	\$578.06	
191	2369016005	2,770	\$0.035	25	\$19.25	0	\$5.77	1	\$578.20	
192	2369016006	5,545	\$0.035	50	\$19.25	0	\$5.77	1	\$1,156.58	
193	2369016007	2,779	\$0.035	25	\$19.25	0	\$5.77	1	\$578.52	
194	2369016008	2,783	\$0.035	25	\$19.25	0	\$5.77	1	\$578.66	
195	2369016009	5,580	\$0.035	50	\$19.25	0	\$5.77	1	\$1,157.80	
196	2369016010	2,792	\$0.035	25	\$19.25	0	\$5.77	1	\$578.97	
197	2369016011	2,797	\$0.035	25	\$19.25	0	\$5.77	1	\$579.15	
198	2369016012	2,801	\$0.035	25	\$19.25	0	\$5.77	1	\$579.29	
199	2369016013	2,805	\$0.035	25	\$19.25	0	\$5.77	1	\$579.43	

Map ID	Assessor's Parcel Number (APN)	Assessed Parcel Size ¹ (sqft)	Initial Annual Parcel Assessment (\$/sqft/yr)	Assessed Ventura Blvd Frontage ² (lin ft)	Initial Annual Ventura Blvd Frontage Assessment (\$/lin ft/yr)	Assessed Other Street Frontage ² (lin ft)	Initial Annual Other Street Frontage Assessment (\$/lin ft/yr)	Benefit Zone	Total Initial Annual Assessment (\$/yr)	Exempt ³
200	2369016014	2,810	\$0.035	25	\$19.25	0	\$5.77	1	\$579.60	
201	2369016015	5,628	\$0.035	50	\$19.25	0	\$5.77	1	\$1,159.48	
202	2369016032	4,286	\$0.035	38	\$19.25	0	\$5.77	1	\$881.51	
203	2369016034	9,840	\$0.035	87	\$19.25	0	\$5.77	1	\$2,019.15	
211	2369027031	13,414	\$0.035	111	\$19.25	115	\$5.77	1	\$3,269.79	
215	2375018008	89,734	\$0.035	472	\$19.25	447	\$5.77	1	\$14,805.88	
216	2375018013	36,500	\$0.035	287	\$19.25	338	\$5.77	1	\$8,752.51	
217	2375018018	82,328	\$0.035	421	\$19.25	543	\$5.77	1	\$14,118.84	
218	2375018019	49,658	\$0.035	262	\$19.25	259	\$5.77	1	\$8,275.96	
219	2375021008	138,085	\$0.035	235	\$19.25	0	\$5.77	1	\$9,356.73	
220	2375021016	35,720	\$0.035	76	\$19.25	0	\$5.77	1	\$2,713.20	
221	2375021017	10,890	\$0.035	56	\$19.25	0	\$5.77	1	\$1,459.15	
222	2375021018	38,770	\$0.035	100	\$19.25	0	\$5.77	1	\$3,281.95	
223	2375021019	105,420	\$0.035	312	\$19.25	0	\$5.77	1	\$9,695.70	
224	2375021020	17,860	\$0.035	152	\$19.25	127	\$5.77	1	\$4,283.89	
225	2375021022	201,247	\$0.035	242	\$19.25	258	\$5.77	1	\$13,190.81	
226	2375021023	30,590	\$0.035	134	\$19.25	0	\$5.77	1	\$3,650.15	
227	2384008027	96,670	\$0.035	313	\$19.25	697	\$5.77	1	\$13,430.39	
228	2384016046	32,260	\$0.035	251	\$19.25	241	\$5.77	1	\$7,351.42	
229	2384018005	10,520	\$0.035	60	\$19.25	0	\$5.77	1	\$1,523.20	
230	2384018006	10,180	\$0.035	169	\$19.25	0	\$5.77	1	\$3,609.55	
231	2384018007	8,960	\$0.035	56	\$19.25	122	\$5.77	1	\$2,095.54	
232	2384022019	6,060	\$0.035	51	\$19.25	0	\$5.77	1	\$1,193.85	
233	2384022020	9,000	\$0.035	70	\$19.25	0	\$5.77	1	\$1,662.50	
234	2384022021	12,620	\$0.035	55	\$19.25	0	\$5.77	1	\$1,500.45	
235	2384022023	8,160	\$0.035	60	\$19.25	0	\$5.77	1	\$1,440.60	
236	2384022024	13,960	\$0.035	100	\$19.25	0	\$5.77	1	\$2,413.60	
237	2384022027	15,010	\$0.035	100	\$19.25	0	\$5.77	1	\$2,450.35	
238	2384022028	4,040	\$0.035	25	\$19.25	0	\$5.77	1	\$622.65	
239	2384022029	12,200	\$0.035	75	\$19.25	0	\$5.77	1	\$1,870.75	
240	2384022032	34,570	\$0.035	200	\$19.25	0	\$5.77	1	\$5,059.95	
241	2384022036	34,070	\$0.035	221	\$19.25	0	\$5.77	1	\$5,446.70	
242	2384022049	30,740	\$0.035	302	\$19.25	0	\$5.77	1	\$6,889.40	
243	2384023028	9,310	\$0.035	142	\$19.25	0	\$5.77	1	\$3,059.35	
244	2384023029	9,760	\$0.035	90	\$19.25	0	\$5.77	1	\$2,074.10	
245	2384023033	19,690	\$0.035	80	\$19.25	0	\$5.77	1	\$2,229.15	
246	2384023044	7,080	\$0.035	100	\$19.25	0	\$5.77	1	\$2,172.80	

Map ID	Assessor's Parcel Number (APN)	Assessed Parcel Size ¹ (sqft)	Initial Annual Parcel Assessment (\$/sqft/yr)	Assessed Ventura Blvd Frontage ² (lin ft)	Initial Annual Ventura Blvd Frontage Assessment (\$/lin ft/yr)	Assessed Other Street Frontage ² (lin ft)	Initial Annual Other Street Frontage Assessment (\$/lin ft/yr)	Benefit Zone	Total Initial Annual Assessment (\$/yr)	Exempt ³
247	2384023047	12,330	\$0.035	90	\$19.25	0	\$5.77	1	\$2,164.05	
248	2384023053	11,420	\$0.035	105	\$19.25	0	\$5.77	1	\$2,420.95	
TOTALS		4,349,766		13,941		10,179			\$450,399.35	

Notes:

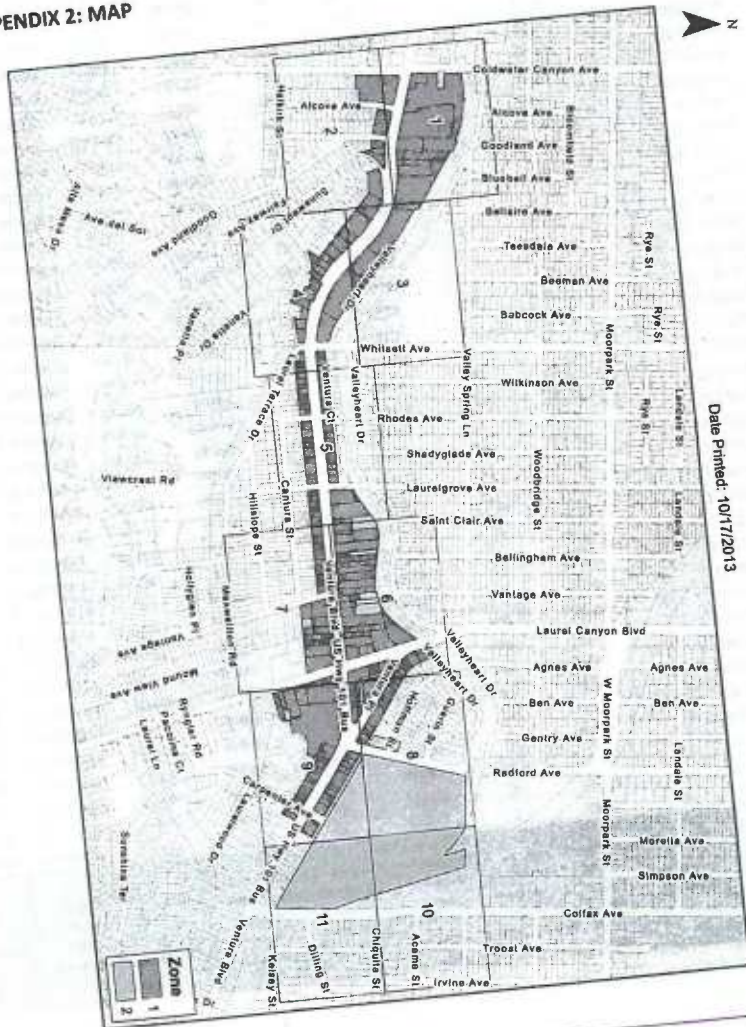
¹ Assessed parcel size was determined by others.

² Assessed street frontage was determined by others.

³ The following exemptions apply to the assessment formula:

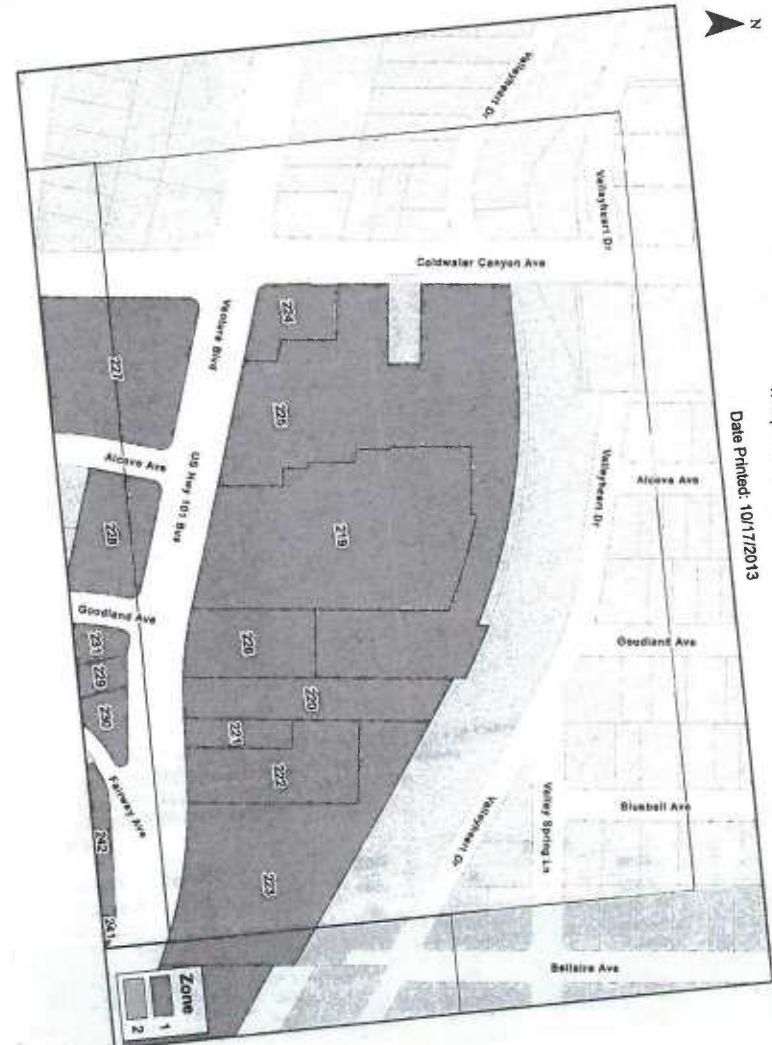
- Residential and agricultural parcels will not be assessed.

APPENDIX 2: MAP



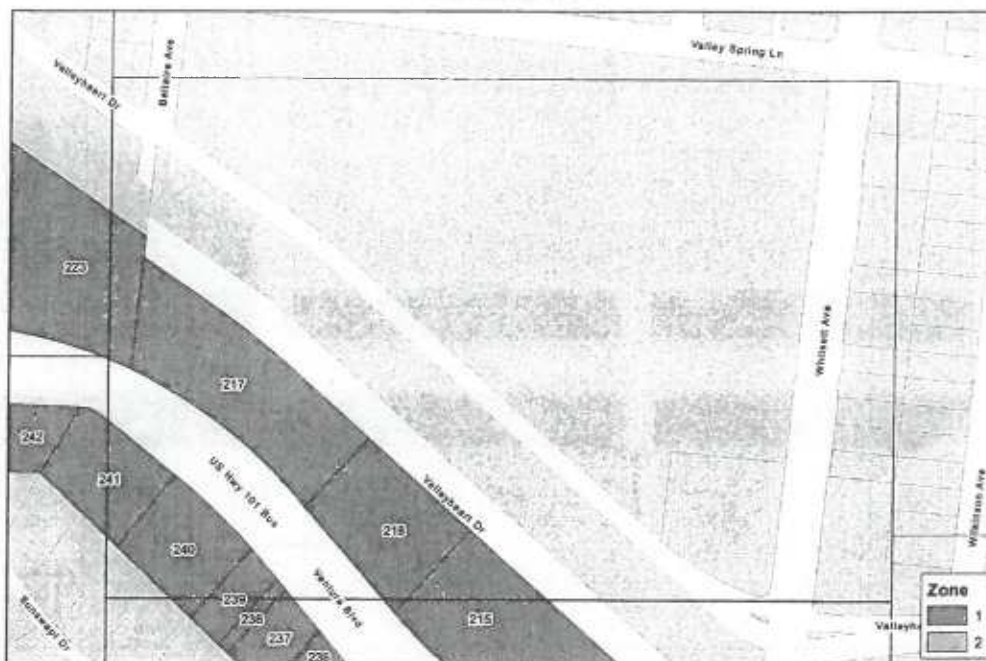
Studio City Business Improvement District
Cover

Date Printed: 10/17/2013



Date Printed: 10/17/2013



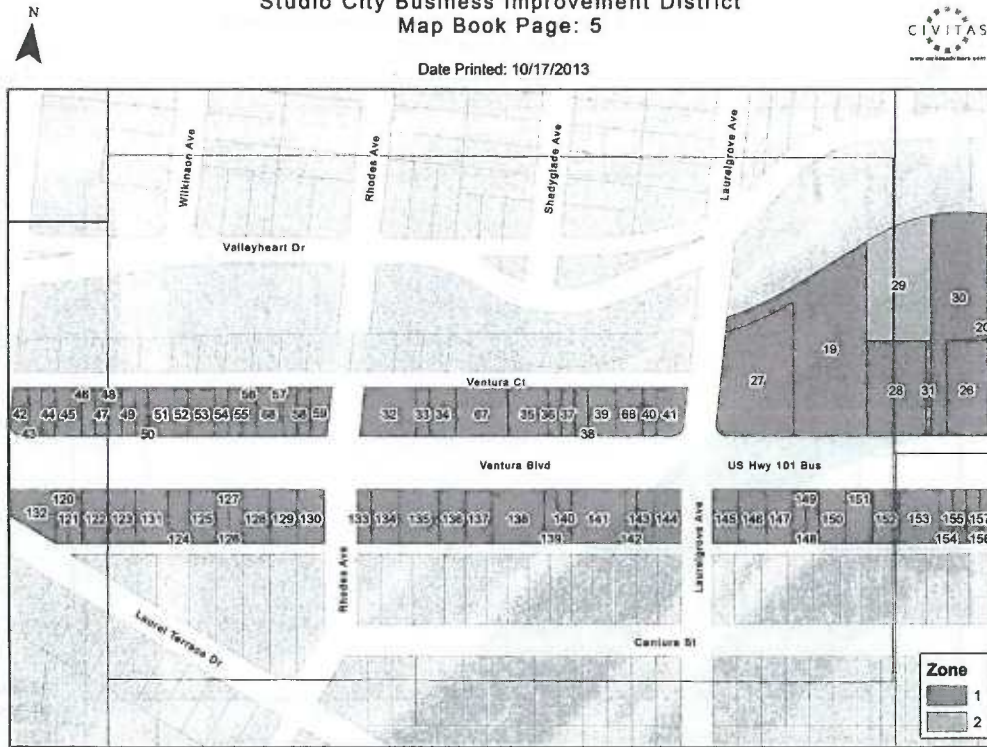


CIVITA



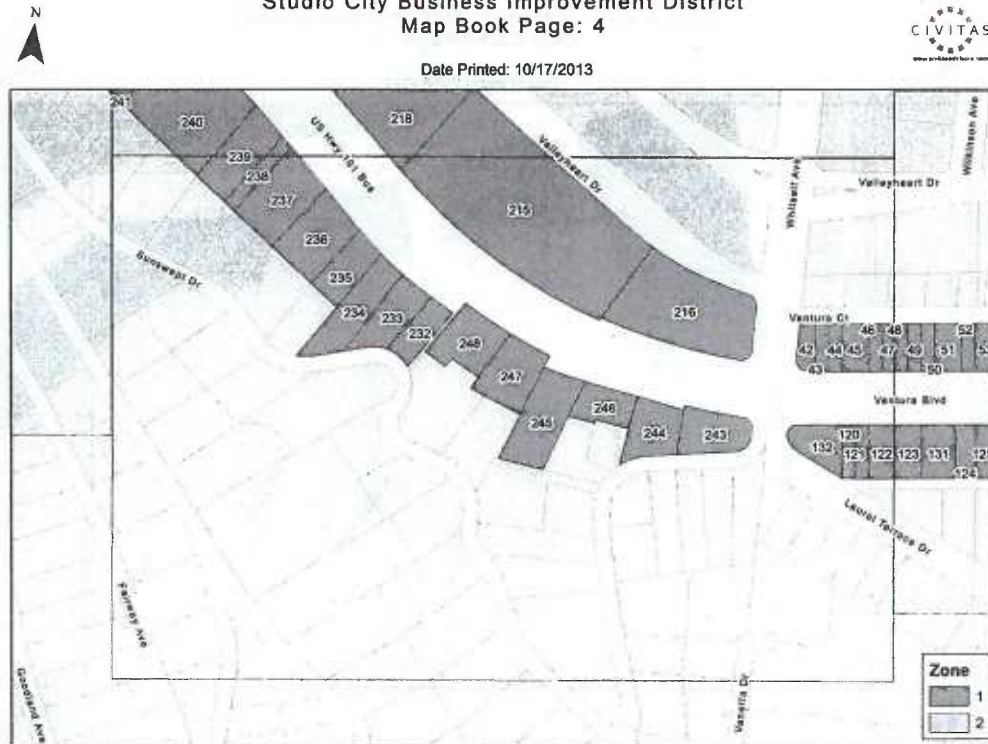
Studio City Business Improvement District Map Book Page: 5

Date Printed: 10/17/2013



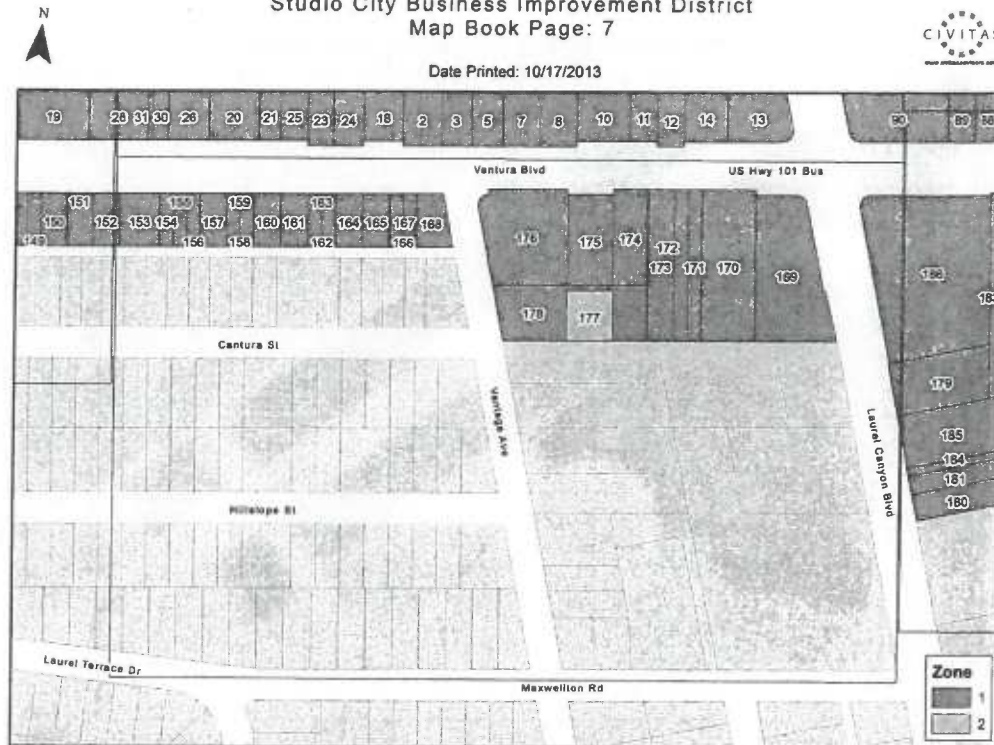
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Date Printed: 10/17/2013



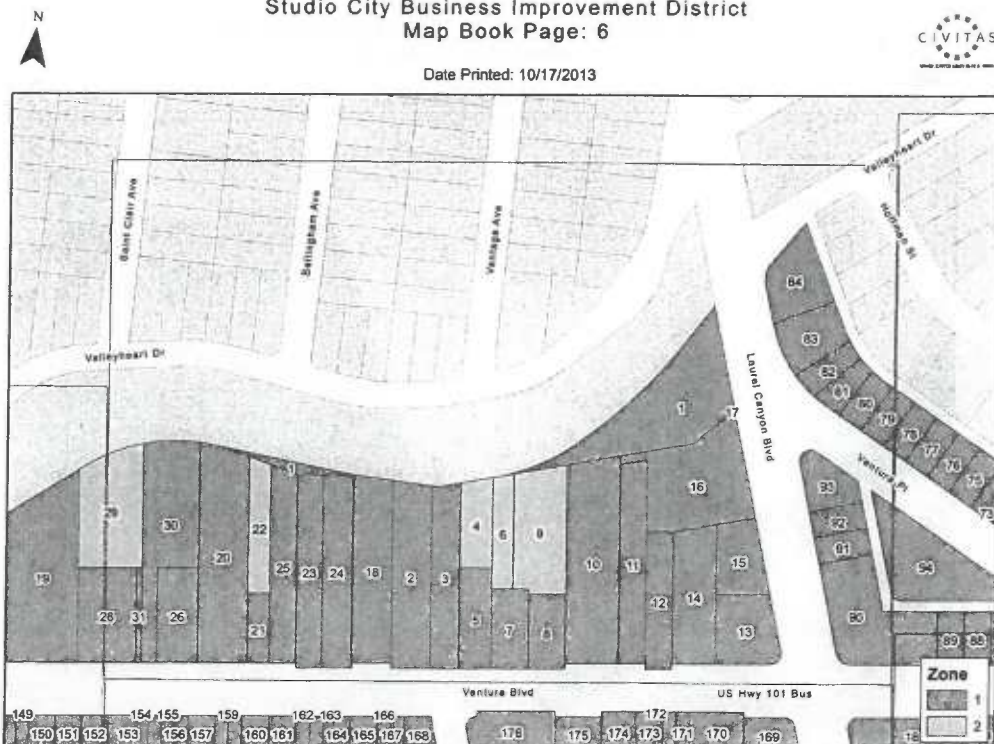
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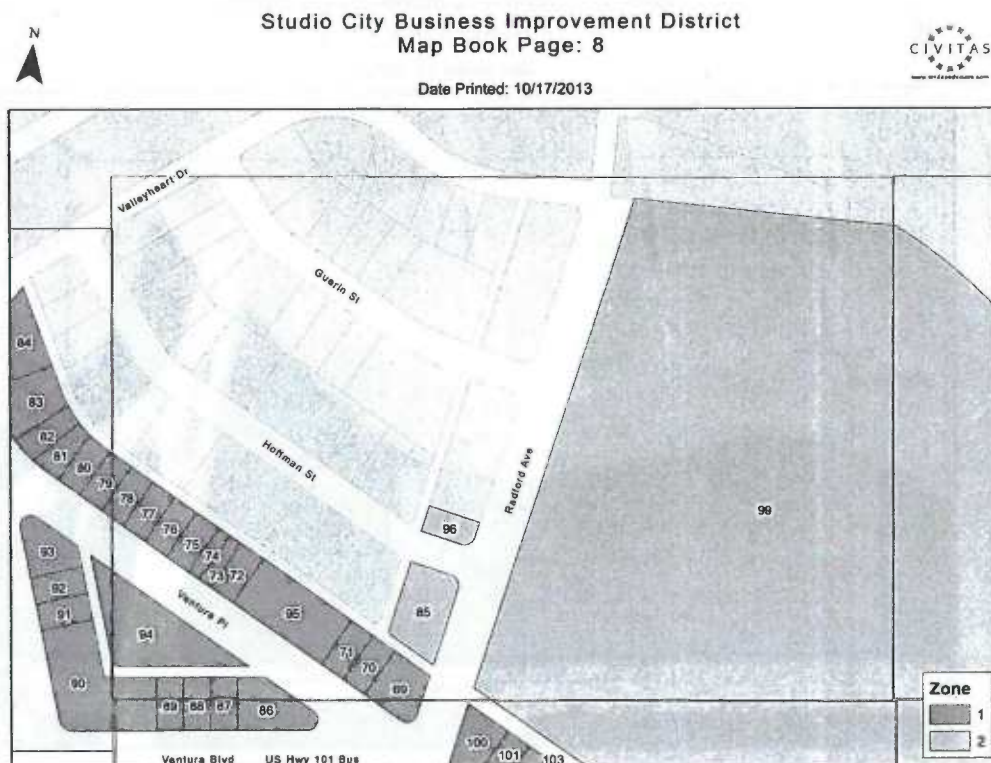
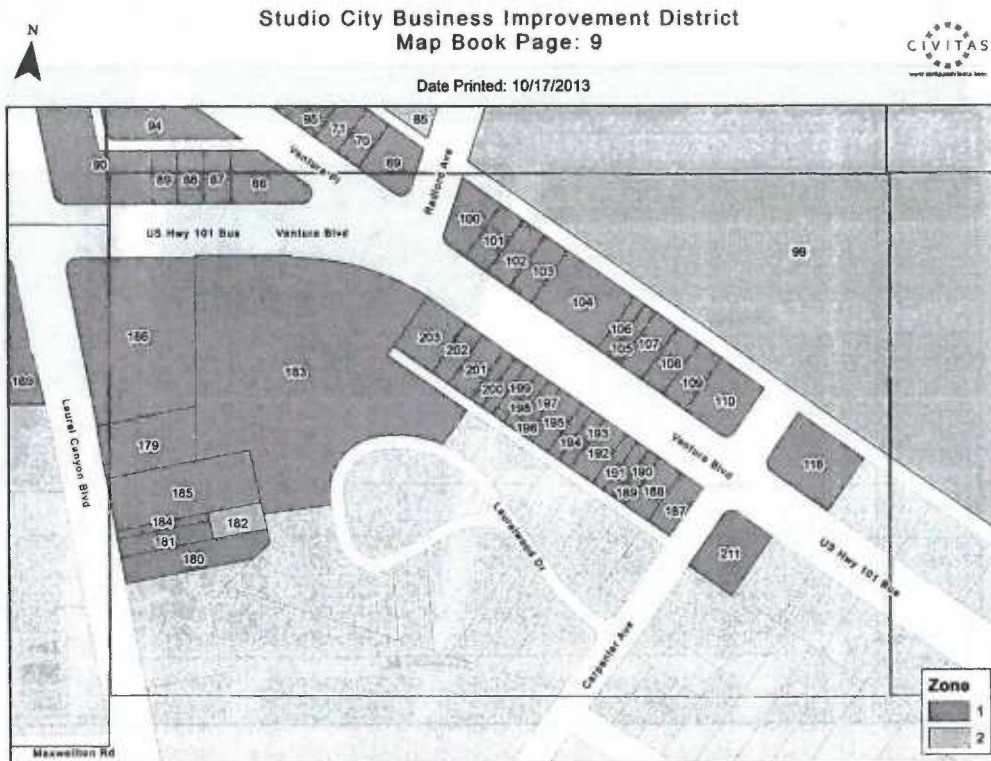
Date Printed: 10/17/2013

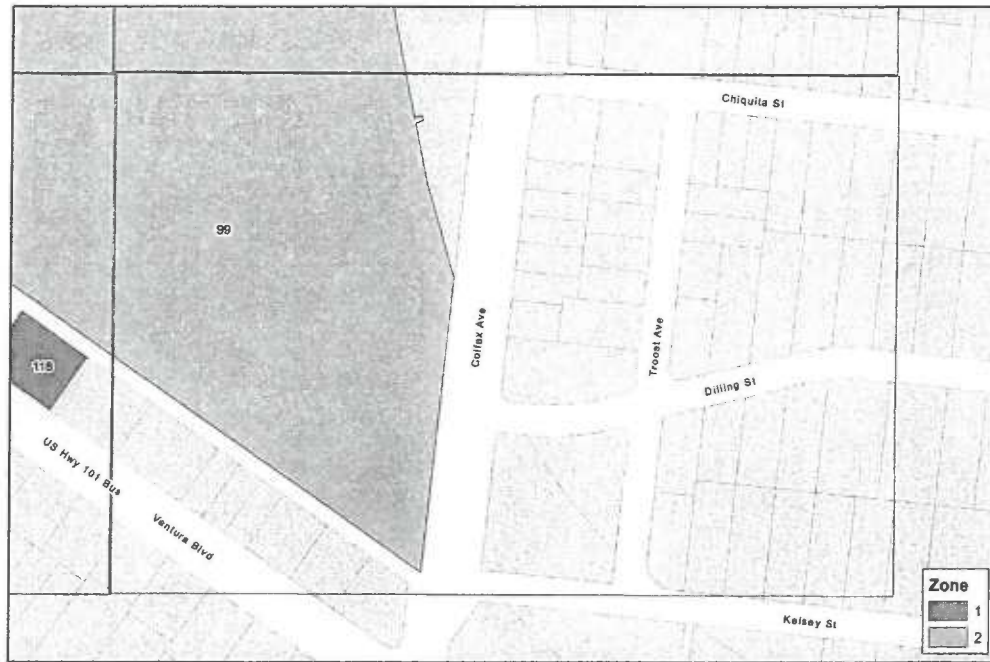


Studio City Business Improvement District Map Book Page: 6

Date Printed: 10/17/2013







APPENDIX 3 – INTERCEPT SURVEY RESULTS SUMMARY

FINAL RESULTS: Studio City PBID Visitor Survey

SAMPLE SIZE = 179; MARGIN OF ERROR = 7.3%

INTERVIEW DATES: October 17 & October 19, 2013

A. Do you work within the Studio City Business Improvement District? Yes: 49 No: 121 N/A: 9

Now, I am going to read a list of activities. For each one I read, please tell me how likely you think it is that you will do that activity either today, or at ANY point in the future, while in the Studio City Business Improvement District. Please tell me if you are very likely, somewhat likely, slightly likely, or not at all likely to do the following either today or at ANY point in the future...

Stroll or walk around OR simply wait to make a transit connection

Eat or drink at a restaurant, café, bar

Shop or take a class

Visit a nightclub, bar or attend a live show (Rain Nightclub)

Conduct personal business like visit a bank, beauty salon, tailor, dry cleaner or office

Pay to park your car within the District

Visit CBS Studio Center for a live taping of a show

Visit the Studio City Walk of Fame

SUMMARY OF RESPONSES

VERY LIKELY, SOMEWHAT LIKELY OR SLIGHTLY LIKELY TO ENGAGE IN ONE OR MORE OF THE COMMERCIAL ACTIVITY	179
NOT AT ALL LIKELY TO PERFORM ANY OF THE COMMERCIAL ACTIVITIES	0
TOTAL	179

Now, I am going to read a list of features. For each I read, please tell me how important each is to you when making your decision to engage in any of the activities you provided a "likely" response to. Please tell me if each of the following features is very important, somewhat important, just slightly important or not at all important in making your decision to engage in any of the activities.

Cleanliness, like sidewalk sweeping, extra trash pick-up, steam cleaning and graffiti removal

Appearance, like plants, flowers and landscaping

Communication to the community about the District and its offerings

"Ventura Receipts Program" which gives back to local schools for shopping within the District

Availability of parking in the Studio City parking garage

SUMMARY OF RESPONSES

VERY LIKELY, SOMEWHAT LIKELY OR SLIGHTLY LIKELY TO ENGAGE IN ONE OR MORE OF THE FEATURES	179
NOT AT ALL IMPORTANT FEATURES	0
TOTAL	179

STANDARD PROVISIONS FOR CITY CONTRACTS

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PSC-5	<u>INTEGRATED CONTRACT</u>	2
PSC-6	<u>AMENDMENT</u>	2
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STANDARD PROVISIONS FOR CITY CONTRACTS**PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN**

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one **CONTRACTOR** herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. NUMBER OF ORIGINALS

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the **CITY'S** option, one or more additional original texts of this Contract may also be retained by the City.

PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

PSC-4. TIME OF EFFECTIVENESS

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR** hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-5. INTEGRATED CONTRACT

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

PSC-6. AMENDMENT

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

PSC-7. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

PSC-8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC-9. WAIVER

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-10. TERMINATION

A. TERMINATION FOR CONVENIENCE

The **CITY** may terminate this Contract for the **CITY'S** convenience at any time by giving **CONTRACTOR** thirty days written notice thereof. Upon receipt of said notice, **CONTRACTOR** shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to affect such termination. Thereafter, **CONTRACTOR** shall have no further claims against the **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon the date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the **CITY** may give **CONTRACTOR** written notice of such default. If **CONTRACTOR** does not cure such default or provide a plan to cure such default which is acceptable to the **CITY** within the time permitted by the **CITY**, then the **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then the **CITY** may immediately terminate this Contract.
3. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates the

CITY'S lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

PSC-11. INDEPENDENT CONTRACTOR

CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

PSC-12. CONTRACTOR'S PERSONNEL

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so by the **CITY**.

CONTRACTOR shall not use subcontractors to assist in performance of this Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of

this Contract. The **CITY** has the right to approve **CONTRACTOR'S** subcontractors, and the **CITY** reserves the right to request replacement of subcontractors. The **CITY** does not have any obligation to pay **CONTRACTOR'S** subcontractors, and nothing herein creates any privity between the **CITY** and the subcontractors.

PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of the **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-14. PERMITS

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance hereunder and shall pay any fees required therefor. **CONTRACTOR** certifies to immediately notify the **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC-15. CLAIMS FOR LABOR AND MATERIALS

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), against **CONTRACTOR'S** rights to payments hereunder, or against the **CITY**, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

If applicable, **CONTRACTOR** represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, **CONTRACTOR** shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the **CITY**. These records shall be retained for a period of no less than three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized **CITY** personnel or by the **CITY'S** representative at any time during the term of this Contract or within the three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. **CONTRACTOR** shall provide any reports requested by the **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

PSC-18. FALSE CLAIMS ACT

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the **CITY** under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

PSC-19. BONDS

All bonds which may be required hereunder shall conform to **CITY** requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

PSC-20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the **CITY**, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, **CONTRACTOR** undertakes and agrees to defend, indemnify and hold harmless the **CITY** and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by **CONTRACTOR** or its subcontractors of any tier. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-20 shall survive expiration or termination of this Contract.

PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the **CITY**, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the **CITY'S** actual or intended use of any Work Product furnished by **CONTRACTOR**, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-21 shall survive expiration or termination of this Contract.

PSC-22. INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

PSC-23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the **CITY** for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. **CONTRACTOR** hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by **CONTRACTOR** under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

For all Work Products delivered to the **CITY** that are not originated or prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract, **CONTRACTOR** hereby grants a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-24. INSURANCE

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-25. DISCOUNT TERMS

CONTRACTOR agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-27. NON-DISCRIMINATION

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-28. EQUAL EMPLOYMENT PRACTICES

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of **CITY** contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of **CITY** contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR'S** Contract with the **CITY**.

PSC-29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to

their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of **CITY** contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of **CITY** contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a **CITY** contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a **CITY** contract, there may be deducted from the amount payable to **CONTRACTOR** by the **CITY** under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a **CITY** contract.

- H. Notwithstanding any other provisions of a **CITY** contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in **CITY** contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the **CITY**. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
 - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the **CITY** with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the **CITY'S** Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the **CITY** and may be used at the discretion of the **CITY** in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the **CITY** and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
 4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
 - C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
 - D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

PSC-32. AMERICANS WITH DISABILITIES ACT

CONTRACTOR hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

PSC-35. EQUAL BENEFITS ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

CONTRACTOR shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922."

PSC-36. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

EXHIBIT 1**INSURANCE CONTRACTUAL REQUIREMENTS**

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS**CONTRACTOR AGREES THAT:**

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Exhibit 1 (Continued)

Required Insurance and Minimum Limits

Name: _____ Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	Limits
Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)	WC Statutory EL _____
<input type="checkbox"/> Waiver of Subrogation in favor of City <input type="checkbox"/> Longshore & Harbor Workers <input type="checkbox"/> Jones Act	
General Liability	
<input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Sexual Misconduct _____ <input type="checkbox"/> Fire Legal Liability _____ <input type="checkbox"/> _____	
Automobile Liability (for any and all vehicles used for this Contract, other than commuting to/from work)	
Professional Liability (Errors and Omissions)	
Property Insurance (to cover replacement cost of building – as determined by insurance company)	
<input type="checkbox"/> All Risk Coverage <input type="checkbox"/> Boiler and Machinery <input type="checkbox"/> Flood _____ <input type="checkbox"/> Builder's Risk <input type="checkbox"/> Earthquake _____ <input type="checkbox"/> _____	
Pollution Liability	
<input type="checkbox"/> _____	
Surety Bonds – Performance and Payment (Labor and Materials) Bonds	100 % of Contract Price
Crime Insurance	
Other: _____ _____ _____ _____	

CITY OF LOS ANGELES
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker)

1. Agreement/Reference All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. When to submit Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. Acceptable Evidence and Approval Electronic submission is the best method of submitting your documents. **Track4LA®** is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format – the CITY is a licensed redistributor of ACORD forms. **Track4LA®** advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA®** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 that have been approved by the State of California may be accepted, however *submissions other than through Track4LA® will significantly delay the insurance approval process as documents will have to be manually processed.* All Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter. Completed **Insurance Industry Certificates other than ACORD 25 Certificates** are sent electronically to CAO.insurance.bonds@lacity.org.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Verification of approved insurance and bonds may be obtained by checking **Track4LA®**, the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. Renewal When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate or edit the existing Acord 25 Certificate through **Track4LA®** at <http://track4la.lacity.org>.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

CITYWIDE BUSINESS IMPROVEMENT DISTRICT PROGRAM NONPROFIT SERVICE PROVIDER AGREEMENTS INSURANCE REQUIREMENTS

Unless otherwise specified, Corporation/Consultant shall maintain limits no less than:

General Liability

General Liability Coverage of \$1,000,000 per occurrence is required. If commercial general liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit (e.g. \$2,000,000)

Directors and Officers Liability Coverage

Director and Officers Liability coverage with a minimum liability limit of \$1,000,000 is required.

Workers' Compensation Coverage

Workers' Compensation coverage with a minimum statutory liability limit of \$1,000,000 is required.

**LOS ANGELES CITY CLERK
NEIGHBORHOOD AND BUSINESS
IMPROVEMENT DISTRICT DIVISION
200 NORTH SPRING STREET, ROOM 224
LOS ANGELES, CA 90012**



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

02/12/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Insurance West 2450 TAPO STREET SIMI VALLEY CA 93063	CONTACT NAME: Deborah Klemmer PHONE (A/C, No, Ext): 8055791900 E-MAIL ADDRESS: dklemmer@insurancewest.com INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Indemnity Insurance Company INSURER B: Employers Compensation Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 18058 11512
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COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	Y	N	PHPK1130943	02/15/2014	02/15/2015	EACH OCCURRENCE \$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000					
		MED EXP (Any one person) \$5,000					
		PERSONAL & ADV INJURY \$1,000,000					
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS	N	N	PHPK1130943	02/15/2014	02/15/2015	GENERAL AGGREGATE \$2,000,000
	<input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	PRODUCTS - COMP/OP AGG \$2,000,000					
		COMBINED SINGLE LIMIT (Ea accident) \$1,000,000					
		BODILY INJURY (Per person) \$					
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE						PROPERTY DAMAGE (Per accident) \$
	DED <input type="checkbox"/> RETENTION \$						\$
							\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	EIG1194472-04	01/29/2014	01/29/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
							E.L. EACH ACCIDENT \$1,000,000
							E.L. DISEASE - EA EMPLOYEE \$1,000,000
							E.L. DISEASE - POLICY LIMIT \$1,000,000
A	D&O/EPLI		N	PHSD914267	02/15/2014	02/15/2015	D & O Limit: \$2,000,000 EPLI Limit: \$1,000,000 Aggregate Limit for all: \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

City of Los Angeles and all of its Agencies, Boards and Departments
200 North Main Street
City Hall East, Suite 1240
Los Angeles CA 90012

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Deborah Klemmer

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City of Los Angeles

CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS

This document must be returned with the Proposal/Bid Response

The undersigned hereby agrees that Studio City Improvement Association will:
Name of Business

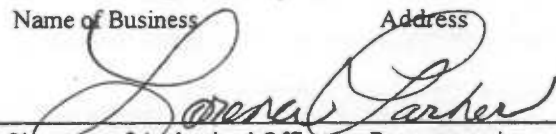
1. Fully comply with all applicable State and Federal employment reporting requirements for its employees.
2. Fully comply with and implement all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment.
3. Certify that the principal owner(s) of the business are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally.
4. Certify that the business will maintain such compliance throughout the term of the contract.

I declare under penalty of perjury that the foregoing is true and was executed at:

Studio City, Los Angeles County, CA
City/County/State

9/25/14
Date

Studio City Improvement Association, 4024 Radford Ave.
Name of Business Address
Editorial Bldg. 2, Rm. A
Studio City, CA 91604


Signature of Authorized Officer or Representative

Lorena Parker
Print Name

Executive Director
Title

818 655-5377
Telephone Number

LWO – DEPARTMENTAL DETERMINATION FORM

REQUIRED DOCUMENTATION FOR ALL CONTRACTS

This form will aid Awarding Departments with determining whether or not a contract is subject to the LWO. It must be completed by the AWARDING DEPARTMENT and submitted to the Office of Contract Compliance **AFTER THE CONTRACT HAS BEEN EXECUTED**. INCOMPLETE SUBMISSIONS WILL BE RETURNED. Please refer to the endnotes for more details.

AWARDING DEPARTMENT INFO			
Dept: _____		Contract Administrator: <u>Lorena Parker</u> Contact Phone: <u>818 655-5377</u> MS# _____	
CONTRACT INFO			
Contractor Name: <u>STUDIO CITY IMPROVEMENT ASSOCIATION</u>		Contract # _____	
Contractor Address: <u>4084 RADEORD AVE</u> City: <u>STUDIO CITY</u>		State: <u>CA</u> Zip: <u>91604</u>	
Project/Contract Name: <u>STUDIO CITY IMPROVEMENT ASSOCIATION</u>			
Purpose of Contract: <u>BUSINESS IMPROVEMENT DISTRICT</u>			
Contract Amount: \$ _____		Term: Start Date <u>1/1/15</u> End Date <u>12/31/19</u>	
SECTION I: DETERMINING APPLICABILITY TO LWO			
1 Check off ONE box that best describes the contract, then Continue to #2: This is a <input checked="" type="checkbox"/> New Contract <input type="checkbox"/> Contract Amendment			
2 If you checked off "New Contract" above, SKIP TO Question #5 to determine whether this New contract is subject to the LWO.			
3 If you checked off "Contract Amendment" Please answer the following questions about the original contract:			
a Was the original contract subject to the LWO?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
b Was the original contract approved for an exemption?		<input type="checkbox"/> Yes <input type="checkbox"/> No If YES, please note what type of exemption it received: _____	
4 If you checked off YES to 3a OR 3b, THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC. If you checked off NO to 3a AND 3b, Continue to #5 to determine whether this Contract Amendment is subject to the LWO.			
5 Check off ONE box in Parts A, B, C or D below that best describes the contract, then Continue to #6:			
These are contracts NOT SUBJECT, NOT APPLICABLE to LWO:		These contracts <u>MAY</u> or <u>MAY NOT</u> BE SUBJECT, or <u>MAY</u> or <u>MAY NOT</u> BE APPLICABLE to LWO:	
PART A		PART B	PART C
<input type="checkbox"/> Service contract that is less than 3 months OR \$25,000 or less ¹ <input type="checkbox"/> Other governmental entity ² <input type="checkbox"/> Purchase or rental of goods, equipment, property ³ <input type="checkbox"/> Construction contract ⁴ <input checked="" type="checkbox"/> Funded by Business Improvement District (BID) assessment money ⁵ <input type="checkbox"/> Financial assistance is below both LWO CFAR thresholds. ⁶ <small>(a) Financial assistance must be less than \$1 Million in a 12-month period AND (b) Is less than \$100,000 if on a continuing basis (such as a loan at a rate lower than the Applicable Federal Rate).</small>		<input type="checkbox"/> Service contract that is at least 3 months AND over \$25,000.	<input type="checkbox"/> Public leases or licenses <input type="checkbox"/> City Financial Assistance Recipient (CFAR) ⁷
PART D			
<input type="checkbox"/> City Financial Assistance Recipient (CFAR) ⁷			
6 If you checked off any box in Part A - THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC.			
7 If you checked off a box in Part B or C, SKIP TO #9.			
8 If you checked off the box in Part D, SKIP TO #13.			
9 If you have a service contract, answer questions a, c and d ONLY, then Continue to #10. If you have a public lease/license, answer questions b, c and d ONLY, then Continue to #10.			YES NO
a Are some of the services rendered by employees whose work site is on property owned by the City?			<input type="checkbox"/> <input type="checkbox"/>
b Are the services rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities)?			<input type="checkbox"/> <input type="checkbox"/>
c Could the services feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources?			<input type="checkbox"/> <input type="checkbox"/>
d Has the DAA determined in writing that coverage would further the proprietary interests of the City?			<input type="checkbox"/> <input type="checkbox"/>
10 If you checked off ANY boxes in the YES column, this contract is APPLICABLE TO THE LWO (it is SUBJECT). Continue onto SECTION II. Otherwise, continue to #11.			
11 You DID NOT check off ANY boxes in the YES column. This contract is NOT APPLICABLE TO THE LWO (it is NOT SUBJECT). Fill and submit LW-10, OCC Exemption Application for approval prior to contract execution found here: http://bca.lacity.org/index.cfm?nxt=ee&nxt_body=div_occ_lwo_forms.cfm , then Continue to #12.			
12 Has the exemption been approved? If YES, THIS FORM IS NOW COMPLETE – Once the contract has been executed, SUBMIT LW-1, Page 1 <u>ONLY</u> and the APPROVED EXEMPTION FORM to OCC. If NO, Continue onto SECTION IV.			
13 Answer the following question to determine whether the CFAR is subject to the LWO, then Continue to #14.			YES NO
a Does the agreement intend to promote economic development?			<input type="checkbox"/> <input type="checkbox"/>
14 If you checked off NO this contract is NOT APPLICABLE TO THE LWO (it is NOT SUBJECT). PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC. Otherwise, Continue to Question #15.			
15 Answer the following questions to determine whether the CFAR is subject to the LWO:			YES NO
a Is the Financial Assistance given in a 12-month period and above \$1 Million?			<input type="checkbox"/> <input type="checkbox"/>
b Is the Financial Assistance \$100,000 or more on a continuing basis?			<input type="checkbox"/> <input type="checkbox"/>
16 If you checked off ANY boxes in the YES column, this contract is APPLICABLE TO THE LWO (it is SUBJECT). Continue onto SECTION II. Otherwise, this contract is NOT APPLICABLE TO THE LWO (it is NOT SUBJECT). PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC.			

ENDNOTES FOR LWO DEPARTMENTAL DETERMINATION FORM - LW-1

¹ **Less than three months OR less than \$25,000 - LAAC 10.37.1(j):** Service contracts or Authority for Expenditures that do not meet these thresholds are not categorically exempt from the LWO.

² **Governmental Entities - LAAC 10.37.1(g):** Agreements with governmental entities are exempt from the requirements of the LWO. If an agreement is exempt from the LWO because the contractor is a governmental entity, subcontractors performing work for the governmental entity on the agreement are also exempt.

³ **Purchase of Goods, Property, or a Lease of Property with City as Lessee - LAAC 10.37.1(j):** Such contracts are categorically exempt from the LWO unless they include a service component that is more than just incidental. - "Incidental services" means services that are: (1) part of an agreement for which the primary purpose is to purchase or rent goods or equipment; and (2) performed on a non-recurring and irregular basis. Services are not incidental, even if the primary purpose of the agreement is to purchase goods or equipment, if the agreement provides that services are to be performed on a regular schedule, or if the awarding authority anticipates that services will be needed on a regular basis during the life of the agreement.

⁴ **Construction contracts LAAC 10.37.1(j):** Construction contracts that do not conform to the definition of a service contract are categorically exempt from the LWO.

⁵ **Business Improvement Districts (BID):** Service agreements funded with the BID's assessment monies are categorically exempt from the LWO (see also Regulation #11). Agreements to provide services related to a BID that are not funded with the BID's assessment money remain subject to the LWO unless they otherwise qualify for an exemption.

⁶ **City Financial Assistance Below LWO Thresholds - LAAC 10.37.1(c):** Agreements that provide a contractor with City financial assistance intended to promote economic development or job growth are categorically exempt from the LWO if they do not meet either of the monetary thresholds described in the LWO.

Thus, such agreements are categorically exempt from the LWO if the assistance given in a 12-month period is below \$1,000,000 and less than \$100,000 per year on a continuing basis. Example: The City approves a loan to a contractor of \$5,000,000 for the development of shopping center that will create new jobs. The loan is for 20 years at an interest rate of 4%. At the time the awarding authority grants approval for the loan, the Applicable Federal Rate (AFR) referenced in the LWO is 4.6%.

This contract is not subject to the LWO because it does not meet the financial thresholds, as explained below:

The amount of financial assistance used to determine whether the contractor meets the LWO thresholds is the amount the contractor saves in interest payments. To determine the amount of savings on interest payments (the financial assistance), the annual savings on interest rate is calculated as follows:

Financial Assistance = (Amount of Loan @ AFR) - (Amount of Loan @ City rate)

Financial Assistance = (\$5,000,000 x 4.6%) - (\$5,000,000 x 4%)

Financial Assistance = \$230,000 - \$200,000

Financial Assistance = \$30,000

Thus, the contractor receives \$30,000 in financial assistance per year for the next 20 years. This is less than \$1 Million in a year, and less \$100,000 per year on a continuing basis. Therefore, the contractor is exempt from the LWO. No approval from the OCC is required, and the awarding department may indicate this exemption on the Departmental Determination of Coverage form.

⁷ **City Financial Assistance Recipient -** Means any person who receives from the City discrete financial assistance for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation, in accordance with the following monetary limitations. Assistance given in the amount of one million dollars (\$1,000,000) or more in any twelve-month period shall require compliance with this article for five years from the date such assistance reaches the one million dollar (\$1,000,000) threshold. For assistance in any twelve-month period totaling less than one million dollars (\$1,000,000) but at least one hundred thousand dollars (\$100,000), there shall be compliance for one year if at least one hundred thousand dollars (\$100,000) of such assistance is given in what is reasonably contemplated at the time to be on a continuing basis, with the period of compliance beginning when the accrual during such twelve-month period of such continuing assistance reaches the one-hundred thousand dollar (\$100,000) threshold.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. § 9 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

CERTIFICATION REGARDING COMPLIANCE WITH THE
AMERICANS WITH DISABILITIES ACT

The undersigned certifies, that to the best of his/her knowledge and belief, that:

1. The Contractor/Borrower/Agency (hereafter Contractor) is in compliance with and will continue to comply with the American with Disabilities Act 42 U.S.C. 1201 et seq. and its implementing regulations.
2. The Contractor will provide for reasonable accommodations to allow qualified individuals with disabilities to have access to and participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act.
3. The Contractor will not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.
4. The Contractor will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative Contracts) and that all subrecipients shall certify and disclose accordingly.
5. This certification is a material representation of fact upon which reliance was placed when the parted entered into this transaction.

Contract NUMBER _____

Studio City Improvement Association
CONTRACTOR/BORROWER/AGENCY

Lorena Parker, Executive Director
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE Lorena Parker

DATE 9/25/14

EXHIBIT

CITY OF LOS ANGELES
CONTRACTOR RESPONSIBILITY ORDINANCE

CRO QUESTIONNAIRE RECEIPT VERIFICATION FORM

To verify the Contractor Responsibility Ordinance's (CRO) compliance, this form must be completed by the Awarding Authority and submitted to the appropriate Designated Administrative Agency (DAA) along with the Responsibility Questionnaires. Upon receipt of the Questionnaires, the DAA will return this signed form to the Awarding Authority. The Awarding Authority must attach the certified form to each draft contract for review by the Office of the City Attorney. No contract may be executed unless a certified Receipt Verification Form indicates that the CRO requirement has been met.

1. Information Regarding Proposed Contract

Project Name/Description: Studio City Business Improvement District 2015-2019

RFB/RFQ/RFP # (if any): _____ Date RFB/RFQ/RFP Released: _____

Procuring Dept.: City of Los Angeles Mail Stop #: 155

Name of Dept. Contact: J. Smith Phone: 213-578-1121

2. Questionnaires Are Submitted for the Following Bidders/Proposers/Proposed Contractors:

Company Name: STUDIO CITY BIDDING AGENT

Company Address: 4024 Rockwell Ave, Suite 100A, Studio City, CA

City: Los Angeles State: CA Zip: 91604

Company Name: _____

Company Address: _____

City: _____ State: _____ Zip: _____

Company Name: _____

Company Address: _____

City: _____ State: _____ Zip: _____

Company Name: _____

Company Address: _____

City: _____ State: _____ Zip: _____

FOR DAA USE ONLY - VERIFICATION REGARDING RECEIPT

The Responsibility Questionnaires for the bidders/proposers/proposed contractors listed above were received on (date) DEC 05 2014

The Questionnaires were processed by:

☒ Dept. of Public Works for Construction Contracts and Service Contracts

☐ Dept. of General Services for Procurement Contracts

Authorized DAA Representative (Print Name) Marc Wright Phone (213) 847-2408

DAA Representative Signature Marc Wright Date DEC 05 2014

CITY OF LOS ANGELES

PLEDGE OF COMPLIANCE WITH CONTRACTOR RESPONSIBILITY ORDINANCE

Los Angeles Administrative Code (LAAC) Section 10.40 et seq. (Contractor Responsibility Ordinance) provides that, unless specifically exempt, City contractors working under service contracts of at least \$25,000 and three months, contracts for the purchase of goods and products of at least \$100,000, contracts for the purchase of garments of at least \$25,000, and construction contracts of any amount; public lessees; public licensees; and certain recipients of City financial assistance or City grant funds, shall comply with all applicable provisions of the Ordinance. Upon award of a City contract, public lease, public license, financial assistance or grant, the contractor, public lessee, public licensee, City financial assistance recipient, or grant recipient, and any its subcontractor(s), shall submit this Pledge of Compliance to the awarding authority.

The contractor agrees to comply with the Contractor Responsibility Ordinance and the following provisions:

- (a) To comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (b) To notify the awarding authority within 30 calendar days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor did not comply with any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (c) To notify the awarding authority within 30 calendar days of all findings by a governmental agency or court of competent jurisdiction that the contractor has violated any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (d) If applicable, to provide the awarding authority, within 30 calendar days, updated responses to the Responsibility Questionnaire if any change occurs which would change any response contained within the Responsibility Questionnaire and such change would affect the contractor's fitness and ability to continue the contract.
- (e) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (f) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, sublicensee that perform or assist in performing services on the leased or licensed premises) submit a Pledge of Compliance.
- (g) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with paragraphs (b) and (c).

Failure to complete and submit this form to the Awarding Authority may result in withholding of payments by the City Controller, or contract termination.

Studio City Improvement Association, 4024 Radford Ave, Studio City, CA 91604 818655-5377

Company Name, Address and Phone Number

Signature of Officer or Authorized Representative

Date

Print Name and Title of Officer or Authorized Representative

Awarding City Department

Contract Number

**CITY OF LOS ANGELES
RESPONSIBILITY QUESTIONNAIRE**

RESPONSES TO THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE MUST BE SUBMITTED ON THIS FORM. In responding to the Questionnaire, neither the City form, nor any of the questions contained therein, may be retyped, recreated, modified, altered, or changed in any way, in whole or in part. Bidders or Proposers that submit responses on a form that has been retyped, recreated, modified, altered, or changed in any way shall be deemed non-responsive.

The signatory of this Questionnaire guarantees the truth and accuracy of all statements and answers to the questions herein. Failure to complete and return this questionnaire, any false statements, or failure to answer (a) question(s) when required, may render the bid/proposal non-responsive. All responses must be typewritten or printed in ink. Where an explanation is required or where additional space is needed to explain an answer, use the Responsibility Questionnaire Attachments. Submit the completed form and all attachments to the awarding authority. Retain a copy of this completed form for future reference. Contractors must submit updated information to the awarding authority if changes have occurred that would render any of the responses inaccurate in any way. Updates must be submitted to the awarding authority within 30 days of the change(s).

A. CONTACT INFORMATION

CITY DEPARTMENT INFORMATION

Office of the City Clerk *Miranda Paster* *213-978-1111*
City Department/Division Awarding Contract City Contact Person Phone
STURBO City Business Improvement District *2015-15*
City Bid or Contract Number (if applicable) and Project Title

BIDDER/CONTRACTOR INFORMATION

Studio City Improvement Association
Bidder/Proposer Business Name
4024 Radford Ave, Edit. 2, Room A, Studio City, CA 91604
Street Address City State Zip
Lorena Parker, Executive Director *818-655-5377* *818 655 8327*
Contact Person, Title Phone Fax

TYPE OF SUBMISSION:

The Questionnaire being submitted is:

- ☒ An initial submission of a completed Questionnaire.
☐ An update of a prior Questionnaire dated ____/____/____.
☐ No change. I certify under penalty of perjury under the laws of the State of California that there has been no change to any of the responses since the last Responsibility Questionnaire dated ____/____/____ was submitted by the firm. Attach a copy of that Questionnaire and sign below.

Lorena Parker, Executive Director *Lorena Parker* *9/25/14*
Print Name, Title Signature Date

TOTAL NUMBER OF PAGES SUBMITTED, INCLUDING ALL ATTACHMENTS: _____

B. BUSINESS ORGANIZATION/STRUCTURE

Indicate the organizational structure of your firm. "Firm" includes a sole proprietorship, corporation, joint venture, consortium, association, or any combination thereof.

☒ **Corporation:** Date incorporated: 4 126 196 State of incorporation: California

List the corporation's current officers.

President: Tony Richman
Vice President: Ben Di Benedetto
Secretary: GILBERT STAYNER
Treasurer: Patrick Parhami

☐ Check the box only if your firm is a publicly traded corporation.

List those who own 5% or more of the corporation's stocks. Use Attachment A if more space is needed. Publicly traded corporations need not list the owners of 5% or more of the corporation's stocks.

☐ **Limited Liability Company:** Date of formation: ____/____/____ State of formation: ____

List members who own 5% or more of the company. Use Attachment A if more space is needed.

☐ **Partnership:** Date formed: ____/____/____ State of formation: ____

List all partners in your firm. Use Attachment A if more space is needed.

☐ **Sole Proprietorship:** Date started: ____/____/____

List any firm(s) that you have been associated with as an owner, partner, or officer for the last five years. Use Attachment A if more space is needed. Do not include ownership of stock in a publicly traded company in your response to this question.

☐ **Joint Venture:** Date formed: ____/____/____

List: (1) each firm that is a member of the joint venture and (2) the percentage of ownership the firm will have in the joint venture. Use Attachment A if more space is needed. **Each member of the Joint Venture must complete a separate Questionnaire for the Joint Venture's submission to be considered as responsive to the invitation.**

C. OWNERSHIP AND NAME CHANGES

1. Is your firm a subsidiary, parent, holding company, or affiliate of another firm?

☐ Yes ☒ No

If **Yes**, explain on Attachment A the relationship between your firm and the associated firms. Include information about an affiliated firm only if one firm owns 50% or more of another firm, or if an owner, partner or officer of your firm holds a similar position in another firm.

2. Has any of the firm's owners, partners, or officers operated a similar business in the past five years?

☐ Yes ☒ No

If **Yes**, list on Attachment A the names and addresses of all such businesses, and the person who operated the business. Include information about a similar business only if an owner, partner or officer of your firm holds a similar position in another firm.

3. Has the firm changed names in the past five years?

☐ Yes ☒ No

If **Yes**, list on Attachment A all prior names, addresses, and the dates they were used. Explain the reason for each name change in the last five years.

4. Are any of your firm's licenses held in the name of a corporation or partnership?

☐ Yes ☒ No

If Yes, list on Attachment A the name of the corporation or partnership that actually holds the license.

Bidders/Contractors must continue on to Section D and answer all remaining questions contained in this Questionnaire.

The responses in this Questionnaire will not be made available to the public for review. This is not a public document. [CPCC §20101(a)]

D. FINANCIAL RESOURCES AND RESPONSIBILITY

5. Is your firm now, or has it ever been at any time in the last five years, the debtor in a bankruptcy case?

☐ Yes ☐ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

6. Is your company in the process of, or in negotiations toward, being sold?

☐ Yes ☐ No

If **Yes**, explain the circumstances on Attachment B.

E. PERFORMANCE HISTORY

7. How many years has your firm been in business? _____ Years.

8. Has your firm ever held any contracts with the City of Los Angeles or any of its departments?

☒ Yes ☐ No

If, **Yes**, list on an Attachment B all contracts your firm has had with the City of Los Angeles for the last 10 years. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

9. List on Attachment B all contracts your firm has had with any private or governmental entity (other than the City of Los Angeles) over the last five years that are similar to the work to be performed on the contract for which you are bidding or proposing. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date. *N/A*

☐ Check the box if you have not had any similar contracts in the last five years

10. In the past five years, has a governmental or private entity or individual terminated your firm's contract prior to completion of the contract?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

11. In the past five years, has your firm used any subcontractor to perform work on a government contract when you knew that the subcontractor had been debarred by a governmental entity?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

12. In the past five years, has your firm been debarred or determined to be a non-responsible bidder or contractor?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

F. DISPUTES

13. In the past five years, has your firm been the defendant in court on a matter related to any of the following issues? For parts (a) and (b) below, check **Yes** even if the matter proceeded to arbitration without court litigation. For part (c), check **Yes** only if the matter proceeded to court litigation. If you answer **Yes** to any of the questions below, explain the circumstances surrounding each instance on Attachment B. You must include the following in your response: the name of the plaintiffs in each court case, the specific causes of action in each case; the date each case was filed; and the disposition/current status of each case.

(a) Payment to subcontractors?

☐ Yes ☒ No

(b) Work performance on a contract?

☐ Yes ☒ No

(c) Employment-related litigation brought by an employee?

☐ Yes ☒ No

14. Does your firm have any outstanding judgements pending against it?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

15. In the past five years, has your firm been assessed liquidated damages on a contract?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance and identify all such projects, the amount assessed and paid, and the name and address of the project owner.

G. COMPLIANCE

16. In the past five years, has your firm or any of its owners, partners or officers, ever been investigated, cited, assessed any penalties, or been found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed on Attachment C (Page 9)? For this question, the term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation.

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance, including the entity that was involved, the dates of such instances, and the outcome.

17. If a license is required to perform any services provided by your firm, in the past five years, has your firm, or any person employed by your firm, been investigated, cited, assessed any penalties, subject to any disciplinary action by a licensing agency, or found to have violated any licensing laws?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance in the last five years.

18. In the past five years, has your firm, any of its owners, partners, or officers, ever been penalized or given a letter of warning by the City of Los Angeles for failing to obtain authorization from the City for the substitution of a Minority-owned (MBE), Women-owned (WBE), or Other (OBE) business enterprise?

☐ Yes ☒ No

If Yes, explain on Attachment B the circumstances surrounding each instance in the last five years.

H. BUSINESS INTEGRITY

19. For questions (a), (b), and (c) below, check Yes if the situation applies to your firm. For these questions, the term "firm" includes any owners, partners, or officers in the firm. The term "owner" does not include owners of stock in your firm if the firm is a publicly traded corporation. If you check Yes to any of the questions below, explain on Attachment B the circumstances surrounding each instance.

(a) Is a governmental entity or public utility currently investigating your firm for making (a) false claim(s) or material misrepresentation(s)?

☐ Yes ☒ No

(b) In the past five years, has a governmental entity or public utility alleged or determined that your firm made (a) false claim(s) or material misrepresentation(s)?

☐ Yes ☒ No

(c) In the past five years, has your firm been convicted or found liable in a civil suit for, making (a) false claim(s) or material misrepresentation(s) to any governmental entity or public utility?

☐ Yes ☒ No

20. In the past five years, has your firm or any of its owners or officers been convicted of a crime involving the bidding of a government contract, the awarding of a government contract, the performance of a government contract, or the crime of fraud, theft, embezzlement, perjury, bribery? For this question, the term "owner" does not include those who own stock in a publicly traded corporation.

☐ Yes ☒ No

If Yes, explain on Attachment B the circumstances surrounding each instance.

CERTIFICATION UNDER PENALTY OF PERJURY

I certify under penalty of perjury under the laws of the State of California that I have read and understand the questions contained in this questionnaire and the responses contained on all Attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this Questionnaire is true and accurate to the best of my knowledge and belief.

Lorena Parker, Executive Director

Print Name, Title

Lorena Parker

Signature

9/25/14

Date

ATTACHMENT A FOR SECTIONS A THROUGH C

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Make copies of this Attachment if additional pages are needed.

Page _____

N/A

[Faint, illegible handwriting visible in the top portion of the large box, possibly reading: "I am not responsible for the..."]

ATTACHMENT B FOR SECTIONS D THROUGH H

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Make copies of this Attachment if additional pages are needed.

Page _____

Studio City Improvement Association
Business Improvement District Operations

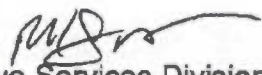
	<u>start date</u>		<u>End date</u>	<u>Amount</u>
contract	1/1/04	to	12/31/09	\$327,872
contract	1/1/10	to	12/31/14	\$286,561

Ex 6

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: December 5, 2014

TO: Kimberly Fitzpatrick
Bureau of Contract Administration
Department of Public Works

FROM: Rick Scott 
Administrative Services Division
Office of the City Clerk

SUBJECT: EBO Waiver Request

This contract, between the City of Los Angeles and the Studio City Improvement Association is specifically for the administration of the Studio City Business Improvement District (see recommendations #2 and #7 of the attached Council Action, dated June 18, 2014 and the Ordinance # 183168, adopted August 6, 2014). As such, the contract is for the management of trust fund money per EBO Regulation 4(B) and L.A.A.C. 10.8.2.1(1)(2)(9) and therefore, EBO is non-applicable. In this case, the Fund is the City's Special Business Improvement Trust Fund 659, in which assessments are collected by the City on the BID's behalf and tendered to the Studio City BID through the administration contract between the City and the Studio City BID's 501c non-profit administrator, the Studio City Improvement Association.

The signed and dated EBO Waiver Request Form for the Studio City Improvement Association is attached to this memorandum.

Attachments

EXHIBIT **6** EBO WAIVER

CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, 3rd Floor, Los Angeles, CA 90015
Phone: (213) 847-1922 - Fax: (213) 847-2777

EQUAL BENEFITS ORDINANCE AWARDDING AUTHORITY REQUEST FOR WAIVER

Company Name: Studio City Improvement Association Phone: 818-655-5377
Company Address: 4024 RADFORD AVE., EDIT 2, Rm. A
City: Studio City State: CA Zip: 91604 EIN/TIN 91-2007849
Contract Number (if any): _____
Contract Term - Start Date: 1-1-15 End Date: 12-31-19
Contract Amount: _____
Type of Service: BUSINESS IMPROVEMENT DISTRICT OPERATIONS

SECTION 1. BASIS FOR REQUEST FOR WAIVER FROM EQUAL BENEFITS ORDINANCE

List all code section(s) on which this request for waiver is based. Cite all sections that may apply.

EBO Reg 4(B) and L.A.A.C. 10.8.2.1(c)(2)(G)

SECTION 2. REASON FOR WAIVER

Attach a memorandum detailing:

- (1) Why the waiver is being requested.
- (2) The facts and circumstances that support your determination that the contract meets all the criteria required in the code section(s) listed above.
- (3) The steps taken to find an entity that complies with the Equal Benefits Ordinance (EBO).

SECTION 3. SUBMIT REQUEST FOR WAIVER

Submit this request for waiver and all documentation to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) at the address referenced above. The OCC will make a determination within seven (7) working days of receipt of a request for waiver and all supporting documentation.

Name of contact person: Lorena Parker Title: Executive Director
Department: _____ Phone: 818 655-5377
Signature: Lorena Parker Date: 9/26/14

An approved waiver is valid only for the contract for which it was requested. It is not valid for any other contracts the contractor may have with the City.

FOR OCC USE ONLY	
<input type="checkbox"/> Not Approved. (See attached memorandum for explanation.)	
<input type="checkbox"/> Approved based on code section(s): _____	
Analyst: _____	Date: _____

City of Los Angeles
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway, Suite 300, Los Angeles, CA 90015
Phone: (213) 847-2625 E-mail: bca.eeoe@lacity.org

AFFIRMATIVE ACTION PLAN

The following contracts are subject to the City of Los Angeles Affirmative Action Program as required by the Los Angeles Administrative Code (LAAC) Section 10.8.4 et seq.:

- Every non-construction contract of \$100,000 or more;
- Every construction contract of \$5,000 or more.

Purpose - An affirmative action program is a management tool designed to ensure equal employment opportunity. A central premise underlying affirmative action is that, absent discrimination, over time a contractor's workforce, generally, will reflect the gender, racial and ethnic profile of the available labor pools. Therefore, as part of its affirmative action program, a contractor monitors and examines its employment decisions and compensation systems to ensure equal employment practices, and takes steps to correct underutilization of women and minorities.

Contractors are subject to all provisions contained in LAAC Section 10.8.4 et seq. which can be found at <http://bca.lacity.org>. The excerpts below are provided to serve as a starting point for satisfying these requirements:

LAAC Section 10.8.4 (B) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

LAAC Section 10.8.4(K) The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract.

LAAC Section 10.8.4(M) The Affirmative Action Plan required to be submitted shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of contractors, subcontractors, and suppliers of all racial and ethnic groups, provided, however that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

LAAC Section 10.8.4(Q) All contractors subject to the provisions of the section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor.

CONTRACTOR DECLARATION

EXHIBIT 7

In pursuit of accomplishing the intent of the City's Affirmative Action Program, the contractor certifies and agrees to immediately implement good faith efforts, measures to recruit and employ minority, women, and other potential staff in a nondiscriminatory manner including, but not limited to, the following actions. The contractor shall:

- (a) Recruit and make efforts to obtain such employees.
- (b) Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in a nondiscriminatory manner so as to achieve and maintain a diverse work force.
- (c) Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in such training programs to enhance their skills and advancement.
- (d) Maintain such records as are necessary to determine compliance with equal employment and affirmative action obligations, and making such records available to City, State and Federal authorities upon request.
- (e) Said policies shall be provided to all employees, subcontractors, vendors, unions and all others with whom the contractor may become involved in fulfilling any of its contracts.

Requirements For Construction Contractors ONLY

Construction contractors are additionally subject to all provisions contained in LAAC Section 10.13 et. seq. which can be found at <http://bca.lacity.org>. As part of these provisions, construction contractors are required to:

1. Submit an **Anticipated Employment Utilization Report (AEUR)** with each new bid for purposes of effectuating this Affirmative Action Plan for the specific project. The AEUR can be found in the bid documents or at <http://bca.lacity.org>.
2. Establish a person at the management level of the contracting entity to be the Equal Employment Opportunity (EEO) Officer. Such individual must have the authority to disseminate and enforce the company's Equal Employment and Affirmative Action Policies.

NAME OF EEO OFFICER

TITLE

E-MAIL

PHONE NUMBER

By its execution hereof, the contractor accepts and submits the foregoing as its Affirmative Action Plan. I certify under penalty of perjury under the laws of the State of California that I have read and understood the foregoing requirements of LAAC Section 10.8 et seq. and agree to comply with them while under contract as set forth therein.

Executed this 26 day of September, in the year 2014, at Studio City, CA.
(CITY) (STATE)

Studio City Improvement Association
COMPANY NAME

818-655-5377 Lorena@studiocitybid.com
TELEPHONE/E-MAIL

Lorena Parker
AUTHORIZED SIGNATURE

4024 Radford Ave. Edit. 2, Rm. A
ADDRESS

Lorena Parker, Executive Director
NAME AND TITLE (TYPE OR PRINT)

Studio City, LA County, CA 91604
CITY, COUNTY, STATE, ZIP

CITY OF LOS ANGELES - SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt from the Slavery Disclosure Ordinance (SDO), a Company entering into a Contract with the City must complete an Affidavit disclosing any and all records of Participation or Investment in, or Profits derived from Slavery, including Slaveholder Insurance Policies, during the Slavery Era. The Company must complete and submit the Affidavit and any attachments to the Awarding Authority. This is required only of the Company actually selected for award of a Contract. It must be done before the Contract or Contract amendment can be executed. Questions regarding the Affidavit may be directed to the Department of Public Works, Office of Contract Compliance located at 1149 S. Broadway Street, 3rd Floor, Los Angeles, California 90015. Phone: (213) 847-1922; Fax: (213) 847-2777.

City Department Awarding Agreement Office of the City Clerk Department Contact Person Rick Scott

AFFIDAVIT DISCLOSING SLAVERY ERA PARTICIPATION, INVESTMENTS, OR PROFITS

- I, Lorena Parker, am authorized to bind contractually the Company identified below.
- Information about the Company entering into a Contract with the City is as follows:
Studio City Improvement Association 88-655-5377 91-2007849
 Company Name Phone Federal ID #
4024 Bradford Ave. Edit. 2, Rm. A, Studio City CA 91604
 Street Address City State Zip
- Has the Company submitted the SDO Affidavit previously? NO ☒ YES Date of prior submission: 2004
 If "NO," complete Section 4, 5, and 6. If "YES," list the date of prior submission and skip to Section 6 and execute the form.
- The Company came into existence in 1997 (year).
- The Company has searched its records and those of any Predecessor Companies for information relating to Participation or Investments in, or Profits derived from Slavery or Slaveholder Insurance Policies. Based on that research, the Company represents that:
☒ The Company found no records that the Company or any of its Predecessor Companies had any Participation or Investments in, or derived Profits from, Slavery or Slaveholder Insurance Policies during the Slavery Era.
☐ The Company found records that the Company or its Predecessor Companies Participated or Invested in, or derived Profits from Slavery during the Slavery Era. The nature of that Participation, Investment, or Profit is described on the attachment to this Affidavit and incorporated herein.
☐ The Company found records that the Company or its Predecessor Companies bought, sold, or derived Profits from Slaveholder Insurance Policies during the Slavery Era. The names of any Enslaved Persons or Slaveholders under the Policies are listed on the attachment to this Affidavit and incorporated herein.
- I declare under penalty of perjury under the laws of the State of California that the representations made herein are true and correct to the best of my knowledge.

Executed on 8/26/14 at Studio City CA
 (Date) (City) (State)
 Signature: Lorena Parker Title: Executive Director

DEFINITIONS

Awarding Authority means a subordinate or component entity or person of the City, such as a City Department or Board of Commissioners, that has the authority to enter into a Contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

Company means any person, firm, corporation, partnership or combination of these.

Contract means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies or rendering of any service to the City of Los Angeles or the public, which is let, awarded or entered into with or on behalf of the City of Los Angeles or any Awarding Authority of the City.

Designated Administrative Agency (DAA) means the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance.

Enslaved Person means any person who was wholly subject to the will of another and whose person and services were wholly under the control of another and who was in a state of enforced compulsory service to another during the Slavery Era.

Investment means to make use of an Enslaved Person for future benefits or advantages.

Participation means having been a Slaveholder during the Slavery Era.

Predecessor Company means an entity whose ownership, title and interest, including all rights, benefits, duties and liabilities were acquired in an uninterrupted chain of succession by the Company.

Profits means any economic advantage or financial benefit derived from the use of Enslaved Persons.

Slavery means the practice of owning Enslaved Persons.

Slavery Era means that period of time in the United States of America prior to 1865.

Slaveholder means holders of Enslaved Persons, owners of business enterprises using Enslaved Persons, owners of vessels carrying Enslaved Persons or other means of transporting Enslaved Persons, merchants or financiers dealing in the purchase, sale or financing of the business of Enslaved Persons.

Slaveholder Insurance Policies means policies issued to or for the benefit of Slaveholders to insure them against the death of, or injury to, Enslaved Persons.

Affidavit means the form developed by the DAA and may be updated from time to time. The Affidavit need not be notarized but must be signed under penalty of perjury.

CITY OF LOS ANGELES - LISTING OF SDO AFFIDAVITS

Stoney Point Ranch 10861 Andora Ave	Los Angeles	CA	91311	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 11/2/2007
Stophel, Jackie 2590 Sirius St.	Thousand Oaks	CA	91341	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 7/17/2008
StopTech, Ltd. 365 Industrial Drive	Harrison	OH	45030	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 11/24/2004
Storage Technology Corporation One StorageTek Drive	Louisville	CO	80028	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 12/2/2003
Storage Technology Corporation - Contact 57212 One Mac Arthur Place, Suite 700	South Coast Metro	CA	92707	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 12/2/2003
Storage Technology Corporation - Contact 57964 One Mac Arthur Place, Suite 700	South Coast Metro	CA	92707	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 12/2/2003
Storage Technology Corporation - Contract 57373 888 South Figueroa Street, #2000	Los Angeles	CA	90017	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 12/2/2003
Storm King Mtn. Technologies 4725 Calle Alto	Camarillo	CA	93012	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 4/20/2009
Stover Seed Company 1415 E. 6th Street	Los Angeles	CA	90021	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 8/16/2005
Stracke, Caspar 314 Clermont Ave., #4	Brooklyn	NY	11205	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 3/3/2008
Strategic Realities 2280 Burch Circle	Atlanta	GA	30319	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 6/12/2007
Strategy Workshop, Inc. 900 Wilshire Blvd, Suite 702	Los Angeles	CA	90017	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 9/21/2005
Strayhorn, Robin 900 East 1st Street #309	Los Angeles	CA	90012	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 9/27/2004
Street Poets Inc. 2116 Arlington Ave., #310	Los Angeles	CA	90018	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 10/2/2006
Street Wise Inverstments LLC dba: New Cecil Hotel 640 S. Main Street	Los Angeles	CA	90014	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 6/9/2005
Streetline, Inc. 995 Market Street, 16th Floor	San Francisco	CA	94103	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 10/27/2006
Strong Hall/Adam Sonenshein 1424 Franklin St., #B	Santa Monica	CA	90404	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 12/18/2006
Strongarm Drill Inc. 2228 Kenry Way	So. San Francisco	CA	94080	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 1/26/2007
Strongman Medifur Systems Inc. 8619 Tunney Ave.	Northridge	CA	91324	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 5/10/2006
Strongman Systems Inc. 8619 Tunney Avenue	Northridge	CA	91324	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 6/17/2004
Structural Expressionism P.O. Box 86283	Los Angeles	CA	90086	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 8/18/2005
Stryker Medical EMS 6300 S. Sprinkle Rd.	Kalamazoo	MI	49001	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 2/23/2005
Stuart Dean Company, Inc. 2993 Allesandro Street	Los Angeles	CA	90039	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 8/9/2005
Stuckey, Guerdon H. 3041 Tifton Grass Lane	Charlotte	NC	28269	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 2/8/2006
Studio City Improvement Association 4024 Redford Ave.	Studio City	CA	91604	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 11/4/2004
Studio One Eleven @ Perkowitz + Ruth Architects 111 W. Ocean Bl., 21st Fl.	Long Beach	CA	90802	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 5/12/2005
Studio Outterbridge 5838 South Woodlawn Avenue	Los Angeles	CA	90003	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 1/21/2009
Studio Spectrum Inc. 1056 N. Lake Street	Burbank	CA	91502	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 6/22/2007
Studley Inc. 777 S. Figueroa St., 30th Fl	Los Angeles	CA	90017	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 4/21/2006
STV Incorporated 1055 W. 7th St., Suite 3150	Los Angeles	CA	90017	<input checked="" type="checkbox"/> SDO Affidavit Received?	on 11/10/2004

Listing current as of 1/11/2010

Form **W-9**
(Rev. October 2007)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Studio City Improvement Association

Business name, if different from above

Check appropriate box: ☐ Individual/Sole proprietor ☒ Corporation ☐ Partnership
☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶
☐ Other (see instructions) ▶

☒ Exempt
payee

Address (number, street, and apt. or suite no.)

4024 Radford Ave. Edit. 2, Rm. A

City, state, and ZIP code

Studio City, CA 91604

Requester's name and address (optional)

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

or

Employer identification number

91-2007849

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign
Here

Signature of
U.S. person ▶

Date ▶

9/26/14

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

City of Los Angeles
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway, Suite 300, Los Angeles, CA 90015
Phone: (213) 847-2625 E-mail: bca.eeoe@lacity.org

FIRST SOURCE HIRING ORDINANCE COMPLIANCE AFFIDAVIT

Contractors (including loan or grant recipients) participating on a City contract that is subject to the First Source Hiring Ordinance (FSHO) are required to certify their compliance prior to contract execution.

As part of their obligations under the FSHO, Contractors must provide the Awarding Department a list of anticipated employment opportunities that they and their subcontractors expect to fill in order to perform the services under the contract. The FSHO-1 form (available at <http://bca.lacity.org>) should be utilized to inform the Awarding Authority of any such opportunities. If no opportunities are anticipated, contractors do not need to submit the FSHO-1 form prior to contract award, but must report any subsequent employment opportunities on the FSHO-3 form (available at <http://bca.lacity.org>) as described below.

During the term of the contract, the contractor and their subcontractors shall:

1. At least seven business days prior to making an announcement of a specific employment opportunity, provide notification of that employment opportunity by submitting the FSHO-3 form to the Community Development Department;
2. Interview qualified individuals referred by the City's referral resources; and
3. Prior to filling any employment opportunity, inform the Office of Contract Compliance of the names of the referral resources used, the names of the individuals referred, and the names of the referred individuals who were interviewed. If the referred individuals were not hired, the contractor should also provide the reasons they were not hired.

DECLARATION UNDER PENALTY OF PERJURY

I am aware of my obligations under Los Angeles Administrative Code (LAAC) Section 10.44 et seq., First Source Hiring Ordinance, and understand that failure to comply may result in contract termination. The City may also pursue any and all other remedies at law or in equity for any breach. The City may use the failure to comply with the First Source Hiring Ordinance as evidence against the contractor in actions taken pursuant to the provisions of the LAAC Section 10.39 et seq. and 10.40 et seq., Contractor Responsibility Ordinance.

Studio City Improvement Association will fully comply with the First Source Hiring Ordinance requirements.
Company Name

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 26 day of September, in the year 2014, at Studio City, CA.
(City) (State)
4024 Bradford Ave. Edit. 2, Rm. A
Mailing Address
Studio City, CA 91604
City, State, Zip Code
91-200-7849
EIN/TIN
Lorena@studiocitybid.com
E-Mail
Lorena Packer
Signature
Lorena Packer
Name of Signatory (Please Print)
Executive Director
Title
72230
BAVN ID No.

RECEIVED

OCT 01 2014

NBID

BAVN VERIFICATION REQUEST / CONTRACT INFORMATION SHEET

Complete this form only for contract opportunities not advertised on BAVN. Fill out all fields and e-mail the completed form to bca.eeoe@lacity.org after verifying that the contractor has uploaded all required compliance documents to BAVN.

Awarding Department: Office of the City Clerk

Contact Name & Phone No: Rick Scott 213 978-1121

Contractor's Name: Studio City Improvement Association

Contractor's BAVN Company ID No.: 72230

Contractor's Federal ID No. or EIN: 91-2007849

Contract Title or Description: Studio City Business Improvement District Operations

Contract Amount: _____

Contract Start Date: 1-1-15 End Date: 12-31-19

NOTE: If the FSHO Affidavit is not uploaded to BAVN, please check below:

FSHO not applicable: _____ FSHO-X Attached: _____

Comments:
