

ORDINANCE NO. 5771

AN ORDINANCE OF THE COUNCIL OF THE City OF GLENDALE

ADDING CHAPTER 4.46 TO THE

GLENDALE MUNICIPAL CODE, 1995, RELATING TO

THE ESTABLISHMENT OF COMMUNITY BENEFIT DISTRICTS.

WHEREAS, the City of Glendale contains many property owners desirous to form property-based assessment districts for the purpose of enhancing the security, safety, appearance, and economic viability of their environs; and

WHEREAS, the California Street and Highways Code provides for the establishment of a property-based improvement district and requires that property owners in the proposed district submit a petition signed by property owners who will pay more than fifty (50) percent of the assessments proposed to be levied; and

WHEREAS, the City Council believes that the fifty (50) percent petition requirement may result in areas with a large percentage of absentee property owners being denied the ability to vote on the merits of establishing a property and business improvement district; and

WHEREAS, the California Street and Highways Code limits the maximum number of years during which an assessment can be levied to five and the City Council believes that it would be in the best interests of some property and business improvement districts to plan for expenditures in excess of five years, such as for the maintenance of improvements; and

WHEREAS, the City Council desires to enact an enabling ordinance which will be responsive to the needs of property owners in the City by reducing the requisite property owner participation in the petition to thirty (30) percent and enlarging the maximum number of years for which an assessment may be established to twenty (20) years for the purpose of funding special benefits; and

WHEREAS, the City of Glendale is a Charter City and the establishment of Community Benefit Districts and the levying of assessments therefore is a municipal affair; and

WHEREAS, the City desires to establish a simplified procedure which permits the full compliance with the requirements of the California Constitution.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE:

SECTION I. Chapter 4.46 is hereby added to the Glendale Municipal Code, 1995, to read as follows: 4.46.01 0 Purpose.

The purpose of this chapter is to enhance the ability of the City and businesses therein to establish property and business improvement districts pursuant to the Property and Business Improvement District Law of 1994 (Streets & Highways Code Section 36600 et seq.) by:

(1) reducing the percentage of property owners whose signatures are required to initiate formation of a Property and Business Improvement District ("Property BID") from fifty percent (50%), as authorized by the Property and Business Improvement District Law of 1994, to thirty percent (30%);

(2) extending the period for which a Property BID may exist from five years, as authorized by the Property and Business Improvement District Law of 1994, to twenty years; and (3) authorizing the reimbursement of formation costs.

4.46.020 Alternative procedures.

A. The procedures established in this chapter shall be additional or alternative to any other procedure established by ordinance or state law, and are intended to supplement those procedures.

B. In forming assessment districts to fund activities and improvements that confer a special benefit on property, the City Council may elect to use the procedures set forth in the Property and Business Improvement District Law of 1994 (Streets & Highways Code §§ 36600 et seq. (the "PBID Law")) as modified by this chapter. The City Council shall be bound by, and comply with, applicable state law governing the establishment and operation of property and business improvement districts in all respects not inconsistent

with this chapter.

C. An assessment district established pursuant to this chapter shall be denominated a **"Community Benefit District" or "District"** and the assessment levied in connection with such a district shall be denominated a "Community Benefit Assessment."

D. Except where otherwise provided in this chapter, "Community Benefit District" shall have the meaning given to "Property and Business Improvement District" by Section 3661 1 of the PBID Law and each reference in the PBID Law to a "Property and Business Improvement District" or a "District" shall be deemed also a reference to a "Community Benefit District."

E. Except where otherwise provided in this chapter, "Community Benefit Assessment" shall have the meaning given to "Assessment" by Section 36606 of the PBID Law and each reference in the PBID Law to an "Assessment" shall be deemed also a reference to a "Community Benefit District." 4.46.030 Petition requirement.

Upon the written petition, signed and acknowledged, of the property owners in the proposed district who will pay more than thirty (30) percent of the assessments proposed to be levied, the City Council may initiate proceedings to form a Property BID by adopting a resolution expressing its intention to form a Property BID. The amount of assessment attributable to property owned by the same property owner which is in excess of twenty percent (20%) of the amount of all assessments proposed to be levied shall not be included in determining whether the petition is signed by property owners who will pay more than thirty percent (30%) of the total amount of assessments proposed to be levied.

4.46.040 Advance and reimbursement of formation costs.

A. The City Council may authorize a District formed pursuant to this chapter to recover through assessments the costs incurred in forming the District, including:

1. The costs of preparation of the management plan and engineer's report required by

state law;

2. The cost of circulating and submitting the petition to the City Council seeking establishment of the District;
3. The costs of printing, advertising and the giving of published, posted or mailed notices;
4. Compensation of any engineer or attorney employed to render services in proceedings under this chapter or the PBID Law; and
5. Costs associated with any ballot proceedings required by law for approval of a new or increased assessment.

If the District will be authorized to recover these costs, the management plan required pursuant to Streets & Highways Code Section 36622 shall specify the formation costs eligible for recovery through assessments, the schedule for recovery of those costs, and the basis for determining the amount of the additional assessment for recovery of costs, including the maximum amount of the additional assessment, expressed either as a dollar amount, or as a percentage of the underlying assessment.

B. The City may advance funds for the first year of a District so that the District can commence work prior to the initial collection of the assessments. The funds advanced will not exceed the total assessment for the first year. The funds advanced shall be repaid, with interest, within five (5) years of the collection of the first annual assessment. 4.46.050

Duration of a Property BID.

A Property BID established pursuant to this chapter may have a duration of up to twenty (20) years, if so specified in the resolution of intention.

SECTION 2. If any portion of this ordinance or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this ordinance shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

SECTION 3. This Ordinance shall become effective thirty days from the date of its adoption.

Adopted by the Council of the City of Glendale on the 3rd day of April

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By : A Pro Tern

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v Mayor

City Clerk

STATE OF CALIFORNIA) SS.

COUNTY OF LOS ANGELES 1

I, Ardashes Kassakhian, City Clerk of the City of Glendale, hereby certify that the foregoing Ordinance No. 5771 was adopted by the Council of the City of Glendale, California, at a regular meeting held on the 3rd day of April, 2012, and that the same was adopted by the following vote:

Ayes: Najarian, Quintero, Weaver, Manoukian

Noes: None

Absent: Friedman

Abstain: None

city