

## Attachment B

### History of the Magnolia Park and the PBID

#### I. BACKGROUND

PBIDs provide supplemental services in addition to those provided by local government. They may also finance physical and capital improvements. These improvements and activities are concentrated within a distinct geographic area and are funded by a special parcel assessment. Services and improvements are only provided to those who pay the assessment.

Although funds are collected by the local government, they are then directed to a private nonprofit. The nonprofit implements services and provides day-to-day oversight. The nonprofit is managed by a Board of Directors representing those who pay the assessment, to help ensure the services meet the needs of property owners and are responsive to changing conditions within the PBID. PBIDs all over the globe have been proven to work by providing services that improve the overall viability of commercial district, resulting in higher property values, lease rates, occupancy rates, and sales volumes.

The PBID will be renewed pursuant to a state law that took effect in January of 1995. The “Property and Business Improvement District Law of 1994,” which was signed into law by Governor Pete Wilson, ushered in a new generation of Property and Business Improvement Districts in California. Key provisions of the law include:

- Allows a wide variety of services which are tailored to meet specific needs of assessed properties in each individual PBID;
- Requires property owner input and support throughout the renewal process;
- Requires written support on both a petition and ballot from property owners paying 50% of proposed assessments;
- Allows for a designated, private nonprofit corporation to manage funds and implement programs, with oversight from property owners and the City;
- Requires limits for assessment rates to ensure that they do not exceed the amount owners are willing to pay; and
- Requires the PBID be renewed after a certain time period, making it accountable to property owners.

## II. HISTORY OF MAGNOLIA PARK AND THE PBID

Magnolia Park Partnership was formed as a Property-Based Business Improvement District (PBID) in 2006 for a five-year term. Although there was an effort by the City of Burbank and some property owners to renew the PBID for another five-year term beginning 2012, ultimately the efforts were unsuccessful and the PBID sunseted December 31, 2011. From 2006-2011, the PBID was comprised of all commercial properties along Magnolia Boulevard and Hollywood Way, bound by Chandler Boulevard to the north, Clark Avenue to the south, the City limits to the west, and Buena Vista Street to the east. The Magnolia Park PBID's programs in 2006 included the following:

1. Parking improvement program with a goal to create or make available at least 150 new or newly managed spaces in Magnolia Park;
2. Maintenance services to clean debris from street trees and increase the frequency of litter removal along with a tree replacement program;
3. Promotions, marketing, events, business recruitment; and
4. Advocacy to promote business interests and allow the business community to speak with one voice.

In 2014, some business owners created a merchant association known as the Magnolia Park Merchants Association or 'MPMA' to unite area businesses and support community events in Magnolia Park. While the organization has had successes, the lack of a stable funding mechanism for the area has proved difficult. Additionally, the impacts from the COVID-19 Pandemic on small and micro businesses disproportionately affected the Magnolia Park area.

Since 2016, the City has financially supported businesses and property owners in Magnolia Park with approximately \$30,000 in annual funding allocated to event street closure services and annual Holiday décor. Additionally, City staff support the commercial corridor with services above and beyond those generally provided including additional marketing support, and leasing advocacy. A stable funding mechanism and supportive services are essential to ensuring Magnolia Park continues to thrive.

Now, after a 13-year hiatus since the last PBID was implemented, the City has allocated additional funding to Magnolia Park earmarked to determining the feasibility of PBID that could address maintenance needs, marketing, events, capital improvements, infrastructure projects, and advocacy for the area.

In 2024, the City hired Urban Place Consulting to conduct a feasibility study and determine if a PBID was a viable funding mechanism for Magnolia Park.

### Business Improvement Districts

Business Improvement Districts (BIDs) have been in existence since the 1970s as funding mechanisms to revitalize commercial districts. In the United States, there are upwards of 2,000 BIDs that raise well over \$700 million annually to improve commercial centers, "Main Streets" and downtowns. The number of BIDs in California is over 200 with 40 of those in Los Angeles and two currently in Burbank.

BIDs help improve the economic vitality of commercial districts and neighborhoods by receiving annual mandatory assessments from property owners and using those assessments to fund the resources most needed in the district.