

## **Board Report**

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2018-0165, File Type: Policy Agenda Number: 8.

FINANCE, BUDGET AND AUDIT COMMITTEE MAY 16, 2018

SUBJECT: FASHION BUSINESS IMPROVEMENT DISTRICT

ACTION: APPROVE RECOMMENDATION

## RECOMMENDATION

APPROVE Metro's participation in the Fashion Business Improvement District ("BID" or "District") for a period of eight years beginning January 1, 2019 to December 31, 2026 for an estimated total amount of \$793,400.

#### <u>ISSUE</u>

Metro is being asked to sign a petition confirming the inclusion of four Metro-owned properties in the BID's defined assessment area (see Attachments A & B). Metro's four parcels are: three which comprise the Division 2 Bus Facility; and one which has an independently-owned parking garage with a bus layover for Metro's use on the first floor (see Attachment D for additional detail). Participation in the Fashion BID will provide special benefits to these four Metro properties. Metro has participated in the Fashion BID since its inception in January 1996 through 2018.

#### **DISCUSSION**

The goals of the District are to:

- improve the safety of each individual parcel within the District;
- increase building occupancy and lease rates;
- encourage new business development;
- increase mass-transit ridership thereby attracting more customers to businesses; and
- attract ancillary businesses and services for parcels within the District.

Establishment of the BID is a two-step process that includes (1) submission of favorable petitions from property owners representing more than 50% of total assessments to be paid; and (2) return of mail ballots evidencing a majority of ballots cast in favor of the assessment. Ballots are weighted by each property owner's assessment as proportionate to the total proposed District assessment amount.

Metro has supported the formation of BIDs when the service or improvements provide a direct benefit to Metro properties, employees, and customers. Under Proposition 218, the assessing agency that

proposes an assessment identifies all parcels that will receive a special benefit. The special benefit for each parcel is determined by: (1) the relationship of the capital cost of a public improvement; (2) the maintenance and operation of a public improvement; or (3) the cost of the property-related services being provided. No assessment can be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit on that parcel. All publicly-owned parcels are required to pay their proportional share of costs based on the special benefits conferred to those individual parcels. Only special benefits are assessable. The BID considers the special benefit to government-assessed parcels to be an increase in District customers, an increased likelihood of attracting and retaining employees that follows from having a cleaner and safer area, increased use of the public facilities, and increased attraction to the neighborhood. Proposition 218 provides that parcels within a district that are owned or used by any agency "...shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that the property will receive no benefit".

The Metro Board adopted the Guidelines on Metro Participation in Proposed Assessment Districts ("Guidelines", see Attachment E) in June 1998. The Guidelines require staff to analyze each assessment district based on whether it provides a benefit to Metro properties, facilities, Metro employees, and/or Metro's passengers, or reduce costs for the agency. Staff is to provide the Board with an analysis, on a case-by-case basis, that determines whether Metro property benefits from the proposed services or improvements; and whether the benefit to the property exceeds the cost of the assessment. An evaluation of the Fashion BID's benefits to Metro is attached (see Attachment C).

## **Description of BID**

The Fashion District BID will have an eight (8) year life beginning January 1, 2019 and ending December 31, 2026. The BID Steering Committee collectively determines the programs and priorities for improvements within BID's boundaries and are administered by professional management.

#### Safe Team Program

The Safety Program will provide safety services for the individual parcels located within the District in the form of patrolling bicycle personnel, walking patrols and night vehicle patrols. The purpose of the Safe Team Program is to prevent, deter, and report illegal activities taking place on the streets, sidewalks, storefronts, parking lots and public alleys. The presence of the Safe Team Program is intended to deter such illegal activities as vandalism, graffiti, narcotic use or sales, public urination, trespassing, drinking in public, prostitution, illegal panhandling, unpermitted vending, and illegal dumping. The Program will supplement, not replace, other ongoing police, security and patrol efforts within the District. The Safe Team Program will only provide its services within the District boundaries. The special benefit to parcels from these services is increased commercial activity which directly relates to increases in lease rates and customer usage. A District that is perceived as unsafe deters pedestrian and commercial activity.

#### Clean Team Program

To consistently deal with matters of cleanliness, a Clean Program will be provided as it has for the last twenty-one years. Uniformed, radio-equipped personnel sweep litter, debris and refuse from sidewalks and gutters for the assessed parcels in the District. Paper signs and handbills that are taped or glued on property, utility boxes, poles, and telephones are removed. District personnel pressure wash sidewalks. Collector truck personnel collect trash from sidewalk trash receptacles.

Graffiti removal is affected by painting, using solvent and pressure washing. The District maintains a zero-tolerance graffiti policy. An effort is made to remove all graffiti within 24 hours on weekdays. Clean sidewalks support an increase in commerce and provide a special benefit to each individually-assessed parcel in the district. The Clean Team will only provide service to properties within the BID's boundaries.

#### Communication

To communicate the changes that are taking place in the BID and to enhance the positive perception of the BID's parcels, a professionally developed marketing and communication program has been created to improve the positive perception of the BID.

#### Management

The improvements and activities are managed by a professional staff that requires centralized administrative support. Management oversees the District's services delivered seven days a week. Management actively works on behalf of the District parcels to ensure that city and county services and policies support the District. Included in this item are professional services, insurance, annual financial audit, and related city fees to collect and process assessments, as well as a reserve for uncollectible assessments.

## **DETERMINATION OF SAFETY IMPACT**

The Board action will not have an impact on safety standards for Metro.

## FINANCIAL IMPACT

The BID's proposed assessment for Calendar Year 2019 is \$83,086.27. The assessments will be subject to annual increases not to exceed 5% per year (see Attachment D for full schedule). Assuming a 5% increase per year, the total cost to Metro over the eight-year term of the BID is projected to be \$793,400.

#### Impact to Budget

Funding to participate in this BID is included in the FY19 budget request for Cost Center 0651 (Non-Departmental Real Estate) under Project 306006 (Systemwide Bus Operations), Account No. 50799 (Taxes). Funding source is ordinary operating funds including fares and sales tax revenues. These funds are eligible for bus and rail operations.

#### <u>ALTERNATIVES CONSIDERED</u>

Metro could refrain from signing the petition and casting a ballot. This alternative is not recommended. Based on the evaluation of the benefits to Metro, participation in the BID is recommended.

#### **NEXT STEPS**

Execute petition and participate in the BID.

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## **ATTACHMENTS**

Attachment A - Fashion BID Boundaries

Attachment B - Map of District

Attachment C - Evaluation of Fashion District Bid Benefit to Metro Attachment D - Metro Owned Parcels in BID and Eight-Year Costs

Attachment E - BID Guidelines

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#### **FASHION DISTRICT BID BENEFIT ZONE BOUNDARIES**

The Fashion District Business Improvement District includes all property within a boundary formed by:

Starting at the northwest corner of the parcel on the southwest corner of Spring Street and 7<sup>th</sup> Street go east along 7<sup>th</sup> Street including parcels on the south side of 7th Street to Main Street. Turn north on Main Street until the north parcel line of the parcel 5148--021--012 on the northeast corner of Main Street and 7<sup>th</sup> Street. Follow the north parcel line of the parcel 5148--021--012 on the northeast corner of Main Street and 7th Street until it intersects with the west parcel line of property facing on the west side of Los Angeles Street. Turn north along the west parcel line of parcels facing on the west side of Los Angeles Street to 6th Street. At 6th Street, turn east along 6th Street including parcels on the south side of 6th Street until Wall Street. Turn south on Wall Street until intersecting with the north parcel line of the parcels facing on the north side of 7<sup>th</sup> Street. Turn east following the north parcel line of parcels facing on the north side of 7th Street until San Pedro Street. At San Pedro Street turn south along San Pedro Street including parcels on the west side of San Pedro Street to 8th Street. Turn east on 8th Street to the east parcel line of parcels facing on the east side of San Pedro Street. Turn south along the east parcel line of parcels facing on the east side of San Pedro Street to Olympic Boulevard, continue east on Olympic Boulevard including parcels on the south side of Olympic Boulevard to the southeast parcel at the intersection of Olympic Boulevard and Stanford Avenue. Continue south along the east parcel line of parcels facing on the east side of Stanford Avenue to the north parcel line of parcels facing on the north side of 12<sup>th</sup> Street. Turn east across Stanford Avenue and continue east along the north parcel line to parcel 5132--014--016, then turn south along the east parcel line of parcel 5132-- 014--016 following the east parcel line of parcels facing on the east side of Paloma Street until14<sup>th</sup> Street. Turn east along 14<sup>th</sup> Street including parcels on the south side of 14th Street to Essex Street. At Essex Street, turn south including only parcels on the west side of Essex Street to 16th Street. At 16th Street, turn west to Griffith Ave including parcels on the north side of 16<sup>th</sup> Street.

At Griffith Avenue, turn south to 18<sup>th</sup> Street including parcels on west side of Griffith Avenue. At 18<sup>th</sup> Street, turn west to San Pedro Street including parcels on the north side of 18<sup>th</sup> street. At San Pedro Street continue west along the south parcel line of parcels facing on the south side of the 10 Freeway, including parcels 5127--002--017 and 5127--002--004 to Maple Avenue. At Maple Avenue turn north to the intersection with 18<sup>th</sup> Street, continue west along 18<sup>th</sup> Street until the intersection of Broadway and 18<sup>th</sup> Street. Turn north along Broadway to 17<sup>th</sup> Street. Turn east along 17<sup>th</sup> Street to the west parcel line of parcels facing on the west side of Main Street. Turn north along the west parcel line of parcels facing on the west side of Main Street, excluding parcel 5139--026--011, until 11<sup>th</sup> Street. At 11<sup>th</sup> Street turn west to the alley

behind parcels facing on the west side of Broadway and then continue north following the west parcel line of parcels facing on the west side of Broadway to 9<sup>th</sup> Street. At 9<sup>th</sup> Street turn east, including the parcel on the south side of 9<sup>th</sup> Street, and then continue north on Broadway, including the parcels on the eastside of Broadway to the north parcel line of parcel 5144--016--066 follow the north parcel line of parcel 5144--016--066 to the west parcel line of parcels facing on the west side of Spring Street, turn north following the west parcel line of parcels facing on the west side of Spring Street until reaching the starting point at the southwest corner of Spring Street and 7<sup>th</sup> Street.

## Santee Alley Overlay

The Overlay includes all parcels having front footage on Santee Alley between Olympic Boulevard to the north and 12th Street to the south.

## **District Expansion**

The Fashion District Business Improvement District boundaries have expanded to the east and south to include all parcels east of the current boundary between Olympic Boulevard to the north, the 10 Freeway to the south, and Paloma Street on the east. The area is detailed on the map on page 12. Parcels within this area have similar uses to Fashion District Business Improvement District parcels such as fashion retail, fashion wholesale and manufacturing.

## **District Boundary Rationale**

The property uses within the general boundaries of the Fashion District Business Improvement District are a mix of retail fashion, fashion wholesale. manufacturing, education, religious, parking, office, hotel, residential and publicly-owned parcels. Services and improvements provided by the District are designed to provide special benefits to parcels that contain retail fashion, fashion wholesale, manufacturing, education, religious, parking, office, hotel, residential and publicly- owned uses. Services and improvements provided by the District are designed to provide special benefits in the form of improving the economic vitality within the District by increasing building occupancy and business lease encouraging new development. rates. residential/hotel serving businesses and services, attracting office and retail tenants, attracting retail and wholesale customers, attracting new residents and students, increasing attendance and encouraging commerce that provide a special benefit to retail fashion, fashion wholesale, manufacturing, education, religious, parking, office, hotel, residential, and publicly-owned parcels. All of the services provided such as the safety work provided by the Safe Team and the cleaning work provided by the Clean Team are services that are over and above the City's baseline of services and are not provided by the City. These services are not provided outside of the District because of the unique nature of these services focusing on the particular needs of each individually assessed property within the District. These services provide

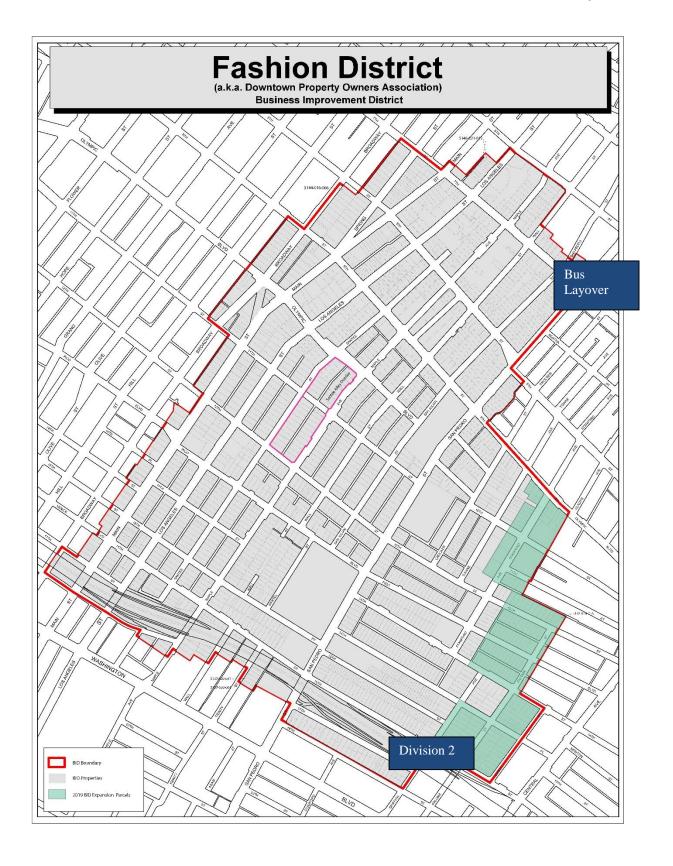
particular and distinct benefits to each of the individually assessed parcels within the District.

**Northern Boundary:** The northern boundary of the Fashion District Business Improvement District abuts the boundary of the Historic Downtown Business Improvement District and the Downtown Industrial Business Improvement District. These districts provide improvements and activities similar to the services provided by the Fashion District Business Improvement District. The only part of the northern boundary that does not about another BID is a twoblock section from Wall Street to San Pedro. None of the properties north of this two-block section of boundary are Fashion-related. The properties in this two block section predominately provide services to Los Angeles's homeless population and are not going to receive special benefit from the services and improvements provided by the District which are designed to provide special benefits to the individually assessed primarily retail, wholesale, manufacturing, education, religious, parking, office, hotel, residential and publicly owned properties in the form of improving the economic vitality by increasing building occupancy and lease rates, encouraging new business development, attracting residential/hotel serving businesses and services, attracting office tenants, attracting retail and wholesale customers, attracting new residents and encouraging commerce. In order to ensure that parcels outside of the District will not specially benefit from the improvements and services funded with the assessment, improvements, and services will only be provided within the boundaries of the District.

Eastern Boundary: The eastern boundary of the Fashion District Business Improvement District abuts in part the western boundary of the Downtown Industrial District which provides improvements and activities similar to those proposed to be provided by the Fashion District Business Improvement District. The remainder of the eastern boundary, including the expansion area. was chosen based upon the high concentration of Fashion use, both wholesale and retail. Properties within the District boundary provide primarily Fashion uses. Properties east of the District boundary are primarily nonfashion wholesale and light manufacturing parcels that focus on automobile products and electronic products. Properties within the District require services that are designed to provide special benefit to the high concentration of fashion uses. The clean, safe and communication/promotion services that the District will provide to parcels within the District boundaries are designed to specifically meet the needs of primarily fashion-oriented parcels in the form of improving the economic vitality in the District by increasing building occupancy and lease rates, encouraging new business development, attracting residential serving businesses and services, attracting new residents and encouraging commerce and will not provide special benefits to the primarily non fashion use properties outside of the boundaries. In order to ensure that parcels outside of the District will not specially benefit from the improvements and services funded with the assessment, improvements and services will only be provided within the boundaries of the District., Specifically, safety patrols, maintenance personnel, and similar service providers employed in connection with the District will only patrol and provide services on the streets and sidewalks within the District, and will not provide services outside of District boundaries.

**Southern Boundary:** The southern boundary of the Fashion District Business Improvement District is approximately the same as it has been for the past four terms and was established by the 10 Freeway and the freeway on and off ramps. Expansion Parcels are also bounded by the 10 Freeway to the south. The District includes some parcels south of the 10 Freeway in order to provide service to the freeway entry and exit points of the District. There are only a few scattered fashion related uses south of this boundary. The primary uses are non-fashion warehouses, non- fashion neighborhood serving retail and fast food services. They will not receive special benefits from the clean, safe and communication services provided by the district. Services and improvements provided by the District are designed to provide special benefits to the individually assessed primarily fashion retail, fashion wholesale, fashion manufacturing, education, religious, parking, office, hotel, residential and publicly owned properties in the form of improving the economic vitality within the District by increasing building occupancy and lease rates, encouraging new business development, attracting residential/hotel serving businesses and services, attracting office tenants, attracting retail and wholesale customers, attracting new residents and encouraging commerce. In order to ensure that parcels outside of the District will not specially benefit from the unique improvements and services funded with the assessment, improvements, and services will only be provided within the boundaries of the District. Specifically, safety patrols, maintenance personnel, and similar service providers employed in connection with the District will only patrol and provide services on the streets and sidewalks within the District, and will not provide services outside of District boundaries.

Western Boundary: The western boundary of the Fashion District Business Improvement District abuts the South Park Business Improvement District and the Historic Downtown Business Improvement District. These districts provide improvements and activities similar to the services provided by the Fashion District Business Improvement District. In order to ensure that parcels outside of the District will not specially benefit from the improvements and services funded with the assessment, improvements, and services will only be provided within the boundaries of the District. Specifically, safety patrols, maintenance personnel, and similar service providers employed in connection with the District will only patrol and provide services on the streets and sidewalks of individual assessed parcels within the District, and will not provide services outside of District boundaries.



## EVALUATION OF FASHION BUSINESS IMPROVEMENT DISTRICT BENEFITS TO METRO

## **Evaluation of Benefits to Metro**

The proposed BID includes four (4) parcels owned by Metro. Three of the parcels are improved and comprise the Division 2 Bus Facility located at 720 E 15th St., Los Angeles. Additionally, Metro owns a parcel for which a private parking garage is operated; this site houses a layover for Metro buses on the first floor and is located at 636 Maple Ave., Los Angeles.

The total proposed District-budgeted assessment for the 2019 year of operation is \$4,971,622.31. Assessments will be subject to annual increases not to exceed 5% each year. Revenue for the eight-year term of the BID is expected to total approximately \$47,474,562.73. The budget will cover improvements, activities and services which include (1) enhanced safety programs such as bicycle patrol, night vehicle patrol and foot patrol in the area; and (2) enhanced clean programs such as sidewalk sweeping, sidewalk pressure washing graffiti and handbill removal, trash removal, landscape programs and tree trimming. The proposed Fashion District BID assessment to Metro over the eight-year period is estimated to be \$793,399.84 which is approximately 1.5% of the total BID revenue.

## Analysis of Benefit to Metro

The Guidelines on Metro Participation in Proposed Assessment Districts ("Guidelines") established general guidelines for determining benefits to Metro properties as outlined below. A list of Metro properties included in the proposed BID is attached, with an indication of the assessment to each parcel (Attachment D). The guidelines require an analysis of each new assessment district service and/or improvement based on whether it improves Metro property or facilities, benefits Metro employees, benefits the Metro riding public or reduce costs for the Metro.

Following is the analysis of benefits to Metro from the Fashion District Business Improvement District based on the Guidelines.

#### TIER 1 - NO BENEFIT

- Subsurface easements
- Aerial easements
- Right of Way

#### TIER 2 - MINOR OR NO POTENTIAL BENEFIT

- Vacant Land
- Parking Lots
- Bus Layover 639 Wall St. is a bus layover facility.

#### TIER 3 – MINOR OR SOME POTENTIAL BENEFIT

- Bus Division Division 2
- Bus Terminals
- Customer Service Centers
- USG Headquarters Building
- Maintenance Facilities
- Rail Division
- Rail Terminus
- Stations Miscellaneous Buildings

#### TIER 4 - ACTUAL BENEFIT

## Joint Development Projects

Metro Benefits – The Metro Property fronting on a public street benefits from the Fashion District BID services. The services provided are categorized as Safe and Clean Programs.

The Clean Team Program provides the following special services to Metro parcels:

- Maintenance services 6 days/week from 7:30am-2pm
- Increased frequency of maintenance services
- Service/empty/dispose of trash bags at receptacles
- Sidewalk sweeper personnel sweep up trash/debris from sidewalks, gutters, tree wells, and fence lines
- Monthly pressure washing of sidewalks and street furniture around parcels and sidewalks
- Graffiti and handbill removal from buildings, sidewalks, fencing, light standards, street trees, street furniture, and news racks
- Bulky items picked up, occurs more frequent around vacant land parcels
- Weed removal on sidewalks and tree wells
- Tree trimming

The Safe Team Program provides the following special services to Metro parcels:

- Safety services 7 days/week from 1:30pm-12am
- Increased frequency of safety services, safety foot and bicycle patrol 8 to 10 times per day
- Prevent, deter, report, and address District quality of life issues
- Respond to loitering, thefts, transients, illegal vending, graffiti, fights, drug dealing
- Respond and work collaboratively with LAPD and private Metro security to address common issues
- Patrol and monitor vacant parcels for homeless and dumping activity
- Provide hospitality services (directions, etc.) to transit riders

## **Communication Program:**

- Marketing program has made the District an attractive destination which provides benefit to transit ridership.
- Marketing events promote riding Metro to access the Fashion District.
- Website highlights businesses and draws customers to the District, providing a benefit to transit ridership.
- BID Partnership with Metro on destination discount program with District businesses. Metro riders show proof of riding transit and receive discounts at participating District businesses. Program benefits ridership.

## METRO-OWNED PARCELS IN BID AND EIGHT-YEAR COSTS

For the Calendar Year 2019, the expected costs per parcel and ownership contribution are outlined in the following table:

Street Address	Parcel Number	Metro Use	Assessment Amount	Apportionment of Metro Ownership
720 E 15th St.	5132-028-902	Division 2	\$ 34,360	0.61%
768 E 15th St.	5132-029-905	Division 2	\$ 39,452	0.70%
1507 Griffith	5132-029-907	Division 2	\$ 3,205	0.06%
636 Maple Ave.	5148-023-902	Bus Layover with Private Parking	\$ 6,069	0.11%
	Total		\$ 83,086	1.48%

The total cost to Metro over the life of the BID term—including 5% year-over-year increases—are estimated to be as follows:

Period	Year	Amount	
1	2019	\$	83,086
2	2020	\$	87,241
3	2021	\$	91,603
4	2022	\$	96,183
5	2023	\$	100,992
6	2024	\$	106,041
7	2025	\$	111,344
8	2026	\$	116,911
Total		\$	793,400



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REVISED FINANCE, BUDGET AND AUDIT COMMITTEE MAY 14, 2014

SUBJECT: GUIDELINES ON LACMTA'S PARTICIPATION IN PROPOSED

BENEFIT ASSESSMENT DISTRICTS (BID)

ACTION: DELEGATION OF AUTHORITY

#### RECOMMENDATION

Delegate authority to the Chief Executive Officer to determine the Los Angeles County Metropolitan Transportation Authority's ("LACMTA") participation in Benefit Assessment District where the total assessment over the term of the BID does not exceed \$500,000, and where the action represents a renewal of a BID previously approved by the Board.

#### **BACKGROUND**

The MTA Board adopted Guidelines on LACMTA Participation in Proposed Assessment Districts ("Guidelines") in June 1998 (See Attachment A). The Guidelines require staff to analyze each assessment district and/or improvement based on whether they improve MTA property or facility, benefit MTA employees, benefit Metro's passengers, or reduce costs for the agency. Staff is to provide the Board with an analysis, on a case by case basis, that determines whether MTA property benefits from the proposed services or improvements; and whether the benefit to the property exceeds the cost of the assessment. Based on the guidelines, the Board must determine whether or not to participate in the proposed district.

#### DISCUSSION

The existing policy specifically requires that staff analyze each new assessment district's services and provide the MTA Board with an analysis, on a case by case basis. Many of the BIDS are at levels that are significantly below the current delegated authority of the Chief Executive Officer of \$500,000. In addition, the analysis of the benefit to LACMTA is routine and warrants the agency's participation. Staff would prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval. In any case where the total assessment for a BID's renewal exceeds \$500,000 over the term of the BID, the

analysis will be completed and submitted to the Board for approval. Any participation in a newly proposed BID will be subject to Board approval. Staff would still prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval.

## **DETERMINATION OF SAFETY IMPACT**

The Board action will not have an impact on safety standards for Metro. However, generally a BID's safety program will increase safety and crime prevention in the area around LACMTA owned properties.

#### FINANCIAL IMPACT

LACMTA currently participate in 40 41 BIDs and street lighting districts. The annual budget as of FY14 is approximately \$517,000.00. Funding to participate in the established BIDs is included in Cost Center 0651, Account No. 50799 (Taxes). Funds are budgeted for each fiscal year. Funding for the BIDS are allocated from the revenue generated from the General Fund - Right of Way Lease Revenue.

#### **ALTERNATIVES CONSIDERED**

The Board could not approve this recommendation to delegate authority to the Chief Executive Officer and staff would continue to bring <u>BID renewals</u> these requests to the Board for approval. The efficiency and the time involved in agendizing the request on the Board's agenda is often constrained by the timeline established by the BID to obtain MTA's approval. In those cases, MTA would not <u>be able to</u> sign the petition circulated to property owners affected by the BID <u>for renewals</u>.

#### **ATTACHMENTS**

Attachment A Guidelines on MTA Participation in Proposed Assessment District dated June 18, 1998

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#### ATTACHMENT 1



## **GENERAL GUIDELINES** for MTA Participation in Proposed Assessment Districts

## 1. MTA Participation in Assessment Districts

Assessment districts can provide a wide variety of services and improvements. However, the MTA must decide individually whether or not specific MTA property benefits from such services and improvements. Such determination shall be dependent upon:

- the use of MTA property, and
- the services or improvements provided by the assessment district.

#### 2. Evaluation Criteria

The following criteria shall be used to evaluate whether or not an assessment district services and/or improvements will benefit MTA is the extent that the services or improvements specifically:

- improve MTA property or facilities,
- benefit MTA employees,
- benefit the MTA riding public, or
- reduce costs for the MTA.

#### 3. Determination of Benefit

Each proposed assessment district containing MTA property will be analyzed on a case-by-case basis; however, general guidelines for determining benefit to MTA properties are as outlined in the following:

#### TIER 1 - NO BENEFIT

- Subsurface easements
- Aerial easements
- Rights of Way

## TIER 2 - MINOR OR NO POTENTIAL BENEFIT

- Vacant Land
- Parking Lots

Bus Layovers

# TIER 3 - MINOR OR SOME POTENTIAL BENEFIT

- Bus Divisions
- Bus Terminals
- Customer Service Centers
- USG Headquarters Building
- Maintenance Facilities
- Rail Division
- Rail Terminus
- Stations

## TIER 4 - ACTUAL BENEFIT

Joint Development Projects

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