

OFFICE MEMORANDUM

Write It — Don't Say It

TO:	<input type="checkbox"/> Your Information <input type="checkbox"/> Please Reply <input type="checkbox"/> See Me <input type="checkbox"/> Prepare Report <input type="checkbox"/> Please Comment <input type="checkbox"/> Per Your Request <input type="checkbox"/> Investigate <input type="checkbox"/> Initial and Forward <input type="checkbox"/> Return by: <input type="checkbox"/> For Necessary Attention
1. Karen	
2.	
3.	
SUBJECT:	

Given that they are going out to bid, I assume this may be premature. Please give her a call & discuss the areas of concern raised in the letter. Cost is the only substantive issue that I see. The issue of whether LAPD should make the arrest is not relevant if LAPD did not see the crime being committed.

RECEIVED

OCT 16 2003

ADMIN SVCS

FROM:	Date
Mike	10-15-03
	Phone

ROUTE SLIP

RECEIVED

TO ^{mc} ~~McG~~
FROM Frank J. MICHAEL CAREY
DATE 10/9/03

Maybe Kuen should give
Kerry M. a heads up that
The process is being watched
FORM 502.2
E & he should make sure all
their procedures are followed.

September 16, 2003

TO: Felipe

FROM: Carol

Constituent letters for your review:

RE: Hollywood Business Improvement District

Constituents at the above location are concerned that the bid process for hiring a security service is not conducted in a fully open and competitive manner.

Peter R. ...

COMMITTEE FOR OPEN AND COMPETITIVE CONTRACTS
Hollywood Business Improvement District

September 5, 2003

Mayor James Hahn
City of Los Angeles
City Hall
200 N. Spring Street
Los Angeles, California 90012

Dear Mayor Hahn:

We are a diverse group of property owners and merchants who operate businesses in the Hollywood Business Improvement District. We are writing to you to express our concern and outrage regarding the District's contract for security services. We believe that the District's board of directors and executive director have not conducted a fully open and competitive process to ensure that property owners receive the finest security service for the lowest competitive price (the current two year contract exceeds \$2 million). Moreover, we believe that the board and executive director have failed to be objective in the process and have allowed the contractor, Burke Security, to function in ways that do not provide the maximum benefits to the property owners and merchants. Specifically, we believe:

1. **THE HOLLYWOOD BID IS OVERPAYING BY NEARLY 100 PERCENT FOR SECURITY.** One property owner and signer of this letter (Mr. Jack Arian) has contracted at his own expense for the past several months with another security firm (NASTEC International) to demonstrate that high quality armed services can be acquired for nearly half the price, thereby allowing either a substantial cost savings or nearly twice as many officers on the street.
2. **THE CURRENT SECURITY FIRM, BURKE EXECUTIVE SECURITY, USES ITS RESOURCES TO MAKE ARRESTS WHICH REQUIRE THE GUARDS TO BE OFF THE STREET FOR AT LEAST TWO HOURS (AND LONGER WHEN THEY GO TO TRIAL). MANY, IF NOT MOST, OF THESE CASES END UP BEING DISMISSED.** There is no evidence that this approach has reduced the crime rate; in fact, several merchants and owners say crime has increased.
3. **THE HOLLYWOOD BUSINESS IMPROVEMENT DISTRICT'S EXECUTIVE DIRECTOR AND BOARD OPENLY VOICE THEIR SUPPORT FOR BURKE SECURITY.** The BID executive director stated publicly in the Hollywood Independent Newspaper (2/13/02), "... (she) hopes the contract will be renewed." Such statements substantially reduce the interest of other companies to consider submitting bids. Moreover, the BID sends out reports that state, "... lesser-paid or unarmed security providers cannot provide adequate security to meet our needs in Hollywood." This is blatantly not true; such statements compromise an open and competitive contracting process.

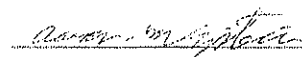
4. **THE HOLLYWOOD BID MEASURES SUCCESS USING THE WRONG BENCHMARKS.** The board and executive director state that Burke is effective because of the high number of arrests. However, the arrests only result in Burke guards spending less time on the street, a slower response time, and inability to deter crime through a visible presence. It is LAPD's job to make arrests...not the BID's security contractor.
5. **BURKE SECURITY AT TIMES USES METHODS OF ARRESTING AND TRANSPORTING WHICH PLACES THE DISTRICT AND PROPERTY OWNERS AT GREATER RISK OF BEING SUED.** When Burke arrests someone, they frequently hold them in their office and then transport the person to LAPD. These procedures not only take security officers off the street, it places the BID at risk of being sued by the perpetrator who can claim mistreatment or injury during the process. The BID and one property owner have been sued due to Burke's procedures after security guards were called to respond to an incident on their property.
6. **DUE TO BURKE'S HIGH COST, THERE ARE INADEQUATE FUNDS FOR SUMMER AND NIGHT-TIME DEPLOYMENTS OF ADDITIONAL OFFICERS.** Presently, the district is unable to implement additional security during the summer months and at night due to budget constraints. If the board was paying the most competitive rates, there would be additional funds for summer and night-time deployments, as well as other augmentations.

Many of us have voiced these concerns previously to the BID board to no avail. Now, the board is preparing to put the security contract out for bid. Our committee is deeply concerned that the BID board and its executive director are biased towards the current contractor and will not objectively consider other qualified and less costly alternative security companies that would deliver better services at a lower cost to the property owners and merchants. **In both statements to the press and printed materials released to property owners, a clear bias for the current security contractor has been voiced. The bottom line is this...we pay thousands of dollars in fees to the BID and do not feel safer for it.**

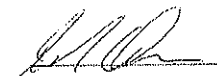
At this point, we believe that only two courses of action will ensure an open, competitive and objective process – **intervention and oversight by elected officials and the focused "eye" of the media watching the process.**

We would greatly appreciate the opportunity to meet with you regarding our concerns. We will call your office in the next several days to schedule an appointment.

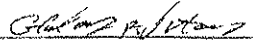
Sincerely,



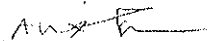
Aaron M. Epstein
Artisan's Patio
6727-6733 Hollywood
Blvd.



Jack Arian
Supply and Army Military Store
6664 & 6666 Hollywood Blvd.



Tony Baten
Rock Town
6709,6717-6711 Hollywood Blvd.



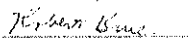
Anthony Behnainfar
Capital Rock
6739 Hollywood Blvd.



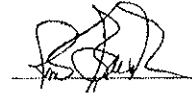
Omar Benadda
Hollywood AllStar Electronics
6776 Hollywood Blvd.



Richard A. Blakely
Artnoise
6729 Hollywood Blvd.



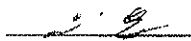
Robert Blue
Kitro Company/Blue Family Trust
1636-1642 N. Vine St.



Ron Bonse
Hollywood Movie Posters
6727 5/8 Hollywood Blvd.



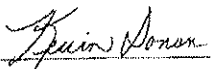
Paul Camarath
Sound Factory
6357 Selma Ave.



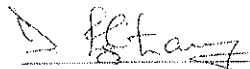
Ean Bong Choi
ABC Sportsling
6655-4 Hollywood Blvd.



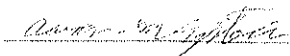
Rami Cobian
Starbucks
6745 Hollywood Blvd.



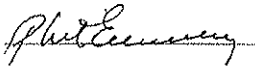
Kevin Donan
As The Record Turns
6727 3/8 Hollywood Blvd.



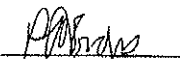
David Elkouby
Starworld
6665 Hollywood Blvd.



Aaron M. Epstein
Artisan's Patio
6727-6733 Hollywood Blvd.



Phil Erenberg
The Hollywood Building
6400-08 Hollywood Blvd.



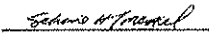
Philip Evans
Red Line Tours
6773 Hollywood Blvd.



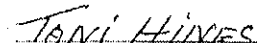
Bassam Fasfy
Family Pants & Jean Machine
6758 & 6718 Hollywood Blvd.




V. Gharibian
Sunshine Sweet Café
6771 Hollywood Blvd.



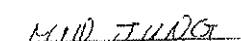
Sehine Hailemeskel
Abyssinnia Gift
6727 Hollywood Blvd.



Toni Hines
Micelis
1646 N. Las Palmas



Su am Jun
Asia Carport
6669 Hollywood Blvd.



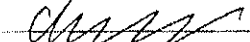
Min Jung
Best of Hollywood
6670 Hollywood Blvd.



Munny Kaplan
Hollywood Camera
6765 Hollywood Blvd.



Maurice Karroum
Hollywood T-Shirts
6735 Hollywood Blvd.



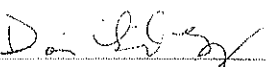
Christopher Kelly
LA Bike Tours & Cyclery, LLC
6731 Hollywood Blvd.



Myong Yoll Kim
6655-5 Hollywood Blvd.



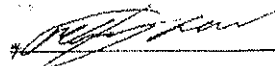
Olybia Lee
Hurricane
6666 & 6648 Hollywood Blvd.



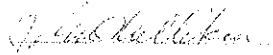
Doris Lindalay
Shy One Productions
6729 1/8 Hollywood Blvd.



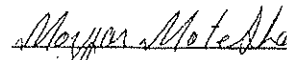
Manuel Ho Lopez
Jerry's Garage Inc.
1645 N. Gower St.



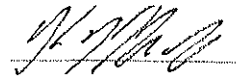
Anthony Megel
Tarot Reader & Advisor
6663 Hollywood Blvd.



John Millikan
Auto Repair
1617 N. Gower



Moyfar Moreshari
Dray's
6762 Hollywood Blvd.



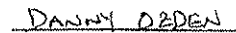
Kevin Mulcatt
Studio TBD
6729 3/4 Hollywood Blvd.



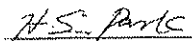
Paramark Nalsolai
6652 Hollywood Blvd.



Mazen Nazzal
Yorbury Investments Inc.
6800 - 6822 Hollywood Blvd.



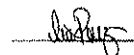
Danny Ozden
New Yorker Hair Salon
6673 Hollywood Blvd.



Hullsook Park
Hollywood Happyland
6923 Hollywood Blvd.



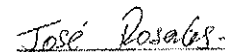
Rocio Pena
Los Cocos
6679 Hollywood Blvd.



Iris Perez
Burger King #1941
1730 N. Highland Ave.



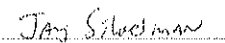
Joe Rieke
Joe's Diner
6721 Hollywood Blvd.



Jose Rosales
Hollywood Camea International
6658 Hollywood Blvd.



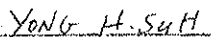
Shahram Sepehr
OZ Accessories
6704 Hollywood Blvd.



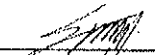
Jay Silverman
Silverman Productions
1541 No. Cahuenga Blvd.



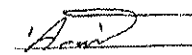
Audrey Smith
A Touch of Romance
6650 Hollywood Blvd.



Yong H. Suh
Fashion Hollywood
400 S. Lucerne



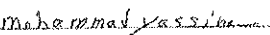
Lze Sung
Hollywood 21 Market
6720 Hollywood Blvd.



Ali Viliani
Zebra
6660 Hollywood Blvd.



Mark Volper
The Erotic Museum
6741 Hollywood Blvd.



Mohammad Yassina
The Blue Stone
6672 Hollywood Blvd.



Jenny Yi
Yi's Shop
6733 Hollywood Blvd.



Amir Zambrano
Hollywood Cuban Bistro
6687 Hollywood Blvd.