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CITY CLERK

City of Los Angeles
CALIFORNIA



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January 20, 2016

Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council District 14

REGARDING: THE HISTORIC DOWNTOWN LOS ANGELES (PROPERTY-BASED) BUSINESS
IMPROVEMENT DISTRICT'S 2016 FISCAL YEAR ANNUAL PLANNING
REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Historic Downtown Los Angeles Business Improvement District's ("District") 2016 fiscal year (CF 13-0655). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an Annual Planning Report for the District must be submitted for approval by the City Council. The Historic Downtown Los Angeles Business Improvement District's Annual Planning Report for the 2016 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Historic Downtown Los Angeles Business Improvement District was established on July 24, 2013, by and through the City Council's adoption of Ordinance No. 182638 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The City Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk and shall refer to the 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: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of

the cost of providing the improvements and the activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of any contributions to be made from sources other than assessments levied.

The attached Annual Planning Report, which was approved by the District's Board at their meeting on October 29, 2015, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

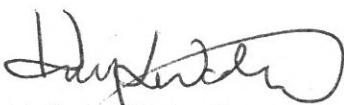
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

THAT THE CITY COUNCIL:

1. FIND that the attached Annual Planning Report for the Historic Downtown Los Angeles Business Improvement District's 2016 fiscal year complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the Historic Downtown Los Angeles Business Improvement District's 2016 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott
City Clerk

HLW:MCP:RMH:tkl

Attachment: Historic Downtown Los Angeles Business Improvement District's 2016 Fiscal Year Annual Planning Report



Historic Downtown Los Angeles Business Improvement
District (Historic Core Business Improvement District)
209-21 1 West 5th Street
Los Angeles, California 90013

December 1, 2015

Holly L. Wolcott, City Clerk
Office of the City Clerk
200 North Spring Street, Room 224
Los Angeles, CA 90012

Subject: Historic Core PBID 2016 Annual Planning Report

Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, the Board of Directors of the Historic Core Improvement District has caused this Historic Core Business Improvement District Annual Planning Report to be prepared at its meeting of October 29, 2015.

This report covers proposed activities of the Historic Core BID from January 1, 2016 through December 31, 2016.

Sincerely,

A handwritten signature in black ink, appearing to read "Blair Besten". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Blair Besten
Executive Director
Historic Core Business Improvement District

Historic Downtown LA
Business Improvement District
[Historic Core Business Improvement
District]

2016 Annual Planning Report

2016 Annual Planning Report

District Name

This report is for the Historic Downtown LA Business Improvement District (Historic Core Business Improvement District). The District is operated by Historic Core Business Improvement District Property Owners Association, Inc., a private non-profit organization.

Fiscal Year of Report

This report applies to the 2016 Fiscal year. The District Board of Directors approved the 2016 Annual Planning Report at the October 29, 2015 Board of Directors meeting.

Boundaries

There are no changes to the District boundaries for 2016.

North: 4th Street from Broadway to Main (plus adjoining alleys)

South: 7th Street from Broadway to Main (plus adjoining alleys)

East: Los Angeles from 4th to 6th Street (not including N,S,and E frontage on East buildings)

West: Broadway to Western alley

Also Broadway from 7th to 9th

(including Tower Theater and Eastern side of Hill Street from 9th to Olympic.)

A more detailed description of the boundaries is listed in the Management District Plan.

Benefit Zones

The District has one benefit zone. For 2016 there will be no changes to the District's benefit zone.

2016 Improvements, Activities and Services

Clean/Safe/Beautiful: \$1,301,954.64 (73%)

Sidewalk cleaning services are contracted directly to Chrysalis, a neighborhood, non-profit that offers employment opportunities to the chronically homeless or economically disadvantaged. Services are in place from 6:00am until 9:00pm, 7 days per week. Sweeper crews clean sidewalks and gutters. Additional services include power washing, graffiti removal, painting light posts, moving/replacing trash cans as needed, and collects over 100,000 lbs of trash, including thousands of bulky items each year. The personnel will focus special attention to hot zones and areas of concern such as human and dog waste, and illegal dumping.

Presently, HCBID contracts with Street Plus for security and dispatch services. Patrol services are in place twenty-four (24) hours a day, seven (7) days per week. Safety personnel are deployed on bicycles, foot, segway, and truck, and maintain watches in heavily trafficked areas due to the ever-increasing day and nightlife in the Historic area.

Communication/Development: \$174,403.00 (10%)

The primary focus of marketing the district includes participation in community events, website updates, a newsletter, branding and decorations, and outreach to bring business and enterprise to the neighborhood.

The HCBID continues to sponsor, in partnership, with Southland Farmers' Market Association, a weekly farmers' market geared towards Downtown residents. Over 30 vendors currently participate each Sunday. The market is the only Downtown market to offer EBT and market match program for qualifying residents and visitors.

The monthly Art Walk has been sponsored and services provided for by the HCBID. 2016 will include a continuation of the provision of Art Walk services.

Quarterly business meetings are organized by BID staff for district merchants in order to raise awareness of area quality of life issues. As a function of these meetings, LAPD is brought in to educate businesses and their staff on hardening targets. The HCBID works with retailers, bars, and restaurants on cross promotion and group discounts on area wide programs, such as the monthly ShopWalk. Thousands visit the area each month, lured by discounts and new merchandise at pop up events.

The HCBID also participates in local initiatives such as Bringing Back Broadway, the Parklets program, the new Broadway Streetscape, DTLA Arts and Culture stakeholders group, Pershing Square Renew, Spring Street Park Advisory Board, the BID Consortium, Mayor's Great Streets Committee, LA Streetcar Board, the DTLA Street Closure Committee, the Central City Boosters, and the Community Police Advisory Board, and CPAB Homelessness Committee.

Administration/Corporate Operations: \$192,310.00 (11%)

HCBID employs a full-time executive director, a full time marketing and services associate, a contracted bookkeeper, and contracted accountant.

HCBID maintains an office within the district that is open Monday through Friday, 9:00am to 5:00pm. Regular committee meetings are hosted at the facility. A dedicated phone number for administration as well as a 24-hour hotline is maintained.

Additionally, the BID management team works with the City of Los Angeles in handling all reporting, financial and administrative requirements. They also coordinate all board activities, meetings, and reporting to and on behalf of the board.

City Fees/Slow Pay: \$113,580 (6%)

City Fees and other fees and slow pay encompasses uncollected assessments, and unexpected expenditures.

Total estimate of Cost for 2016: A breakdown of the total estimated 2016 budget is attached to this report as Appendix A.

Method and Basis of Levying the Assessment

The Method and Basis for levying the 2016 assessment remains the same as listed in the Management District Plan and is based on one (1) zone of benefit, an allocation of program costs and a calculation of assessable footage. Three property assessment variables, parcel square footage, building square footage and linear front footage will be used in the calculation.

Historic Core BID 2016 Assessment rates:

Parcel type	2016
<u>Non-gov Parcels</u>	
Frontage	23.5259
Lot	0.1307
Bldg	0.0476
<u>Public Owned Parcels</u> (9.8% discount Comm/Dev)	
Frontage	21.2222
Lot	0.1178
Bldg	0.0430
<u>Residential Condominium</u>	
Bldg Area only	0.2479

The District’s Management District Plan allows for a maximum annual assessment increase of 5%. The Board voted for no increase for 2016.

The District’s 2016 Total Assessment is **\$1,633,307.64**.

Surplus Revenues

For the upcoming year 2016, the District plans on spending \$143,940 of accumulated net surplus revenue.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2016.

Contributions from Sources other than assessments: \$5,000

Grant from LADWP.

Appendix A

**Historic Downtown Los Angeles Business Improvement District
2016 Annual Report
2016 Fiscal Year Activities Budget**

Anticipated Assessment Revenue and Program Expenditures

2016 Revenue Sources

2016 Special Assessment	\$1,633,307.64	
2016 Carryover	\$143,940.00	
2016 Estimated Contributions/Other Sources	\$5,000.00	
2016 Total Estimate Revenue	\$1,782,247.64	

2016 Budget Expenditures

Clean/Safe/Beautiful	\$1,301,954.64	73%
Communication/Development	\$174,403.00	10%
Administration/Corporate Operations	\$192,310.00	11%
City Fees/Slow Pay	\$113,580.00	6%
2016 Total Estimated Expenditures	\$1,782,247.64	100%
