EXHIBIT A

CONSULTING SERVICES PROPOSAL

FOR THE RENEWAL OF
SAN PEDRO HISTORIC WATERFRONT
BUSINESS IMPROVEMENT DISTRICT
(BID)

SUBMITTED BY
EDWARD HENNING & ASSOCIATES

FEBRUARY 11, 2016
February 11, 2016

Ms. Lorena Parker
Executive Director
San Pedro Historic Waterfront BID
390 W. 7th Street
San Pedro CA 90731

Re: Consulting Services Proposal – San Pedro Historic Waterfront BID Renewal

Dear Lorena:

I am pleased to submit this proposal for consulting services to assist the San Pedro Historic Waterfront BID stakeholders with the renewal of the existing BID.

Proposal details are included in Section B on pages 3-7. The proposal is set up on a time and material basis, not to exceed $20,000, which includes a contingency of $2,450 to cover extra costs such as onsite meetings and/or repeated major modifications to base documents initiated either by the client or the City of Los Angeles.

I strive to provide my clients with a very flexible, yet comprehensive, hands-on, cost-effective, and professional approach to renewing BIDs. I structure my fees based on a balance of the client’s needs, internal staffing capabilities, time restraints and resources available for hiring professional assistance, and, as such, tasks have been modified to allow for the client to carry out many specific renewal tasks; thus reducing my involvement and corresponding consulting fees. Several of these factors are taken into account in this proposal to allow the client to provide ancillary services including renewal graphic design and printing, any map modifications, the petition signing outreach effort and work plan and budget development. I have also only included attendance at one meeting, that being, if needed, at the BID renewal Public Hearing before the Los Angeles City Council. I will provide all needed documents via email to the client and propose that any interaction with your Board and/or Renewal Committee be conducted via tele-conference calls rather than time consuming and costly travel and attendance at local meetings.

I look forward to hearing back from you on this proposal and working with the San Pedro BID stakeholders on this renewal effort.

Respectfully submitted,

Ed Henning
Edward V. Henning, Principal
EVH SP BID ren prop

13330 Buttemere Rd • Phelan CA 92371 • (760) 868-9963 • mred2@earthlink.net
A. CONSULTANT

A1. Consultant Info:

Company Name: Edward Henning & Associates
Team Leader: Edward Henning
Title: Principal Consultant/Owner
Mailing Address: 13330 Buttemere Rd, Phelan CA 92371
Phone #: 760-868-9963 (W); 760-887-7132 (M)
email: mred2@earthlink.net

A2. The Project Team/Roles/Responsibilities

- Ed Henning - Technical, legal, database refinement/management, assessment engineering

- Committee/other – Work Plan and Budget/Program Cost Estimates; Outreach/petition drive/support; supplemental renewal graphics, handout/mailer materials; mass printing/postage for petition and ballot mailings; mapping services

- City – Formal adoption process; Prop 218 Ballot process, assessment diagram and roll preparation and processing
B. PROPOSAL

B1. Scope of Work

The proposed work plan is as follows:

1.1 Pre-renewal
   • Preliminary discussions regarding programmatic amendments and modified goals/objectives

1.2 Dbase Preparation (Primarily Staff – Supplemented & Modified by Consultant, as needed)
   • Research physical property modifications (new construction, demolitions etc)
   • Incorporate any physical adjustments into dbase
   • Refine/update and manage property owner and physical data throughout the renewal process

(NOTE: Phases 1.3 to 1.9 below constitute development of the required Management District Plan)

1.3. Boundaries (Minor changes anticipated)
   • Select/verify boundaries/zones
   • Supplement dbase, as needed
   • Develop revised boundary/benefit zone descriptions

1.4. Base Level Services (No changes anticipated)
   • Review current “Citywide” base level City public services/programs
   • Compare to previous base levels
   • Secure commitment for continuation of base level services, as appropriate

1.5. BID Work Plan Development (Committee/Staff)
   • Survey property (and business) owners regarding satisfaction with current BID activities
   • Based on survey results and base level analysis, and other discussions and input, identify other needed program elements for inclusion in the renewed BID
   • Determine if additional public input is needed (i.e. workshops, focus groups, etc.)
   • Develop multi - year BID Work Program (up to 10 years)

1.6. BID Budget Development (Committee/Staff)
   • Obtain/provide cost estimates of desired programs, services and improvements
   • Develop multi - year BID Budget (up to 10 years)
1.7. BID Assessment Formula
- Review current BID formula for fairness/equitability issues/problems
- Develop revised BID assessment formula options, as needed
- Estimate BID revenues from various options
- Provide assessment calculations to property owners throughout the renewal process
- Develop/select formula which produces most equitable assessment rates at revenue level desired

1.8. BID Governance/Management Structure  (No changes anticipated)
- Identify any Association changes needed to represent/manage renewed BID

1.9. BID Legal Document Preparation
- Prepare Management District Plan (MDP)
- Prepare Prop 218 Engineer’s Report (ER)
- Prepare custom support petitions and modify as needed throughout petition process (Phase 3)
- Prepare custom Prop 218 Ballots and related documents (City of LA does this)
- Prepare draft BID adoption legal documents (notice, resolutions) (City of LA does this)
- Coordinate Assessment Diagram preparation and recording and Tax Roll (City of LA does this)

Phase 2 - BID Outreach/Education (Committee/Staff)
- Develop strategy plan
- Development of needed BID renewal materials/mailers/handouts
- Outreach program (solos, focus groups, workshops, mailers, phone, etc.)

Phase 3 - BID Support Campaign (Committee/Staff)
- Recruit key volunteers and contacts for this effort
- Strategize/make assignments for distribution & collection of support petitions
- Distribute, collect, monitor results (Consultant will assist with monitoring/managing this)
- With 50%+ support, proceed to formal adoption

Phase 4 - Adoption (City)
- Conduct BID renewal (City)
- Conduct Prop 218 Ballot Election (City)
- Attend Public Hearing, assist with presentation, as needed (Consultant)
- Record Notice of Assessment and Assessment Diagram with County (City)
- Transmit assessment roll to County (City)
B2. Project Schedule

SAN PEDRO HISTORIC WATERFRONT BID RENEWAL TIMELINE

The renewed BID is targeted to be adopted by July 1, 2018 and funded by January 2019. In order to meet this goal, the following timeline is proposed:

<table>
<thead>
<tr>
<th>Date</th>
<th>Action/Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spring 2016</td>
<td>• Pre-renewal review, discussions, framework (Phase 1.1)</td>
</tr>
<tr>
<td>Mid 2016</td>
<td>• Submit new database to City (Phase 1.2)</td>
</tr>
<tr>
<td>Mid-Late 2016</td>
<td>• Develop Management Plan (MDP)/Engineer’s Report (ER) (Phase 1.3 – 1.9)</td>
</tr>
<tr>
<td>Late 2016</td>
<td>• Submit draft MDP and ER to City for review/revision</td>
</tr>
<tr>
<td>Early 2017</td>
<td>• Submit Final MDP and ER to City</td>
</tr>
<tr>
<td>Early-Late 2017</td>
<td>• Conduct BID outreach/education campaign (Phase 2)</td>
</tr>
<tr>
<td>Early 2017</td>
<td>• Initiate petition drive (Phase 3)</td>
</tr>
<tr>
<td>Early-Late 2017</td>
<td>• Collect support petitions from property owners (need weighted &gt; 50%)</td>
</tr>
<tr>
<td>As collected</td>
<td>• Submit BID petitions to City for verification (Phase 3)</td>
</tr>
<tr>
<td>Early 2018</td>
<td>• City Council adopts ordinance of intention to renew BID</td>
</tr>
<tr>
<td>Early 2018</td>
<td>• City sends BID ballot and public hearing notice to property owners</td>
</tr>
<tr>
<td>Spring 2018</td>
<td>• City Council conducts public hearing (ballots due by this meeting)</td>
</tr>
<tr>
<td>Spring 2018</td>
<td>• City Council approves BID renewal and BID management agreement</td>
</tr>
<tr>
<td>Summer 2018</td>
<td>• City Transmits BID assessment roll data to County</td>
</tr>
<tr>
<td>Summer 2018</td>
<td>• City Records Notice and Assessment Diagram</td>
</tr>
<tr>
<td>Dec 10, Apr 10 (due)</td>
<td>• Assessments billed/collected by County</td>
</tr>
<tr>
<td>1st Qtr 2019</td>
<td>• Revenues remitted to BID via City per contract</td>
</tr>
<tr>
<td>2019 to end of term</td>
<td>• BID association carries out District programs and services</td>
</tr>
</tbody>
</table>
B3. PROJECT BUDGET

(a) Project Budget

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Estimated Budget (Est Hrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Pre-renewal review, discussions</td>
<td>$540 (4)</td>
</tr>
<tr>
<td>1.2</td>
<td>Dbase</td>
<td>$2,700 (20)</td>
</tr>
<tr>
<td>1.3</td>
<td>Boundaries</td>
<td>$270 (2)</td>
</tr>
<tr>
<td>1.4</td>
<td>Base Service Analysis</td>
<td>$0</td>
</tr>
<tr>
<td>1.5</td>
<td>Work Plan</td>
<td>$0</td>
</tr>
<tr>
<td>1.6</td>
<td>Budget</td>
<td>$0</td>
</tr>
<tr>
<td>1.7</td>
<td>Formula/Calcs</td>
<td>$2,700 (20)</td>
</tr>
<tr>
<td>1.8</td>
<td>Governance</td>
<td>$0</td>
</tr>
<tr>
<td>1.9</td>
<td>Engineering/Legal</td>
<td>$8,100 (60)</td>
</tr>
<tr>
<td>2.0</td>
<td>Outreach/Education</td>
<td>$0</td>
</tr>
<tr>
<td>3.0</td>
<td>Sales/Support/Petitions</td>
<td>$2,700 (20)</td>
</tr>
<tr>
<td>4.0</td>
<td>Adoption</td>
<td>$540 (4)</td>
</tr>
<tr>
<td></td>
<td>Subtotal labor</td>
<td>= $17,550</td>
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<tr>
<td></td>
<td>Contingency (if/as needed)</td>
<td>= $2,450</td>
</tr>
</tbody>
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**Travel expenses (1 public hearing)** = (included)  
**Misc – Limited Committee related postage, copies** = (included)

**TOTAL NOT TO EXCEED FEE** = $20,000  

NOTE: The estimated hours may vary from task to task but will be billed against each line item budget based on respective billing rate and progress and percentage completion at each billing period. While line item surpluses and deficits may occur due to unforeseen circumstances, the total not-to-exceed figure will be honored with no project impact. There are 0 site visits/meetings proposed during the total contract period except for attendance at 1 City Council meeting, if needed. Additional meetings, if needed, would be billed at the Consultant billing rate below, plus one-way travel from Consultant’s office from the Contingency.

**Billing Rates**  
Ed Henning = $135/hr

**Billing Terms**  
Billing each 30 day period for progress work completed per Task/Phase during previous month
C. RESPONDENT QUALIFICATIONS

C1. Team Participants and Qualifications

Edward Henning & Associates (EHA) one of the foremost BID/PBID authorities in California who will furnish all needed technical, legal, petition/ballot procedural expertise for the project.

C2. BID/BID Experience

Ed Henning of Edward Henning & Associates (EHA) is a licensed California professional Civil Engineer and has directly worked in over 70 communities on every aspect of BIDs and PBIDs over a 25 year span. In addition, since the approval of Proposition 218 (“The Right to Vote on Taxes Initiative”) by the voters of California, Mr. Henning has analyzed and provided engineering certification for over half of the 200+ PBIDs in the State of California. Mr. Henning has been recognized as an authority in these matters by City Attorneys throughout the State.

Mr. Henning has been a regular speaker on the topic of Business Improvement Districts for the League of California Cities, the State Department of Commerce and the California Downtown Association and has been interviewed frequently on this subject by news publications including the LA Business Journal and the LA Times. Mr. Henning authored a feature article for Western City Magazine entitled: “The Business of Business Improvement Districts is Booming”. Mr. Henning has served as President and Board Member of both the Whittier Uptown BID Association and the statewide California Downtown Association.

BID/PBID services provided by EHA include:

• BID/PBID FORMATIONS
• BID/PBID LEGAL COMPLIANCE AUDITS
• PROP 218 ENGINEER ANALYSES
• BID/PBID TURNKEY BILLING/Collections
• BID/PBID REVENUE OPTIMIZATION ANALYSES
• BID/PBID ANNUAL AND 5/10 YEAR RENEWALS
• BID/PBID MODIFICATIONS/EXPANSIONS
• OTHER BID/PBID LEGAL/TECHNICAL ADVISING
COMPANY PROFILE: EDWARD HENNING & ASSOCIATES

Edward Henning and Associates is a multi-disciplined consulting firm offering a diverse range of business district funding and planning services focusing on downtown business districts and the unique problems and opportunities associated with center city areas.

Types of assessment district services provided

- Business Improvement District (BID & PBID) Formation, Modification, Expansion, Renewal, Admin
- Other Assessment District Formation, Modification, Expansion, Renewal, Admin
- Prop 218 Assessment Engineering Analyses and Reports (Registered CA Professional Engineer - Civil)

Partial list of agencies and clients represented in BID & PBID projects:

- Town of Apple Valley
- City of Berkeley (Shattuck Area)
- City of Culver City
- City of Glendale - Downtown
- Adams Square
- City of Huntington Park
- City of Huntington Beach
- City of Los Angeles - Larchmont Village
- Los Feliz Village
- Brentwood Center
- Wilshire Center
- City of Newport Beach
- City of Oxnard
- City of Pasadena - Playhouse District
- South Lake Avenue
- City of Santa Ana
- City of Vacaville
- City of Yucaipa

PBID Formation (Village); 5 Yr Renewal approved 8-12
PBID Formation (Hybrid BID/PBID district)
PBID Formation (Downtown)
BID/ PBID Feasibility Analysis
BID Formations
BID Formation (Pacific Blvd)
BID Formation (Auto Row District)
PBID Formation, 10 Yr Renewal; 2nd 10 Yr term renewed 7-12
BID Formation
BID Formation (private sector “volunteer” district)
BID Formations & Major Expansion (hybrid BID/PBID district)
BID Advising
PBID Formation, 5 Yr Renewal; 2nd Renewal approved 8-11; 3rd renewal approved 7-14
PBID Formation, 5 Yr Renewal; 2nd Renewal approved 7-11
PBID Formation, 5 Yr Renewal approved 6-12
PBID Formation (Downtown)
PBID Formation (Downtown)
PBID Formation & 10 Yr Renewal; Phase II Formation; Phase I 2nd 10 Yr Renewal approved 8-12; Phase II 10 Yr Renewal 8-14

PBID ASSESSMENT ENGINEER/PROP 218 COMPLIANCE

City of Los Angeles and Vicinity
- Gateway to LAX
- Historic Core
- Hollywood
- Woodland Hills
- Encino
- Sylmar
- Northridge
- Melrose
- Granada Hills
- Westwood
- Brentwood
- Lincoln Heights
- South Park
- Sunset
- Tarzana
- Canoga Park
- LA Industrial
- Latin Quarters
- Chinatown
- Melrose
- Pan. City
- Thousand Oaks
- Glendale
- Arcadia
- Central Avenue
- South Park II
- Venice Beach

Northern CA
- 15 business districts in San Francisco, Berkeley, Oakland, Tracy, Richmond, Sacramento, Salinas,

San Diego Area
- El Centro
- El Cajon
- University Ave
- National City

13330 Butteremore Rd - Phelan CA 92371 - (760) 868-9963 - mred2@earthlink.net
CLIENT REFERENCES

Project Name: Downtown Oxnard PBID
Project Scope: Established a $400 k/yr PBID for clean and safe, marketing and beautification. Renewed/expanded $500k PBID for 5 years in 2006, renewed in 2011 and 2014
Contact Person: Abel Magaña, Executive Director, 805-385-2705

Agency/City: South Lake Business Association (2007, 2011-12)
Project Name: South Lake Avenue PBID
Project Scope: Established a $500 k/yr PBID for maintenance, marketing and beautification Renewed $600k PBID for 5 years in 2012
Contact Person: Gina Tclel, Executive Director, 626-792-1259

Project Name: Playhouse District PBID
Project Scope: Established a $500 k/yr PBID for clean and safe, marketing and beautification Renewed/expanded $750k PBID for 5 years in 2006 & renewed in July 2011
Contact Person: Erlinda Romo, Executive Director PDA, 626-744-0340

Project Name: Yucaipa Uptown PBID
Project Scope: Established a 2 phased PBID to maintain City funded streetscape and renewed Phase I for 10 additional years in 2002 and 2012 and Phase II for 10 yrs in 2014
Contact Person: Paul Toomey, Community Development Director, 909-797-2489, ext 231

Agency/City: City of Santa Ana (2009)
Project Name: Downtown Santa Ana PBID (Local Statute – Community Management District)
Project Scope: Established a $950,000/yr CMD for maintenance, marketing and beautification.
Contact Person: Tom Eidem, Former Downtown Manager, 949-369-5030