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MIRANDA PASTER
ACTING DIVISION HEAD

March 19, 2010

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

Council District 1

REGARDING: THE LINCOLN HEIGHTS BUSINESS AND COMMUNITY BENEFIT
DISTRICT (PROPERTY-BASED) BUSINESS IMPROVEMENT
DISTRICT'S 2010 FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Lincoln Heights Business and Community Benefit District's ("District") 2010 fiscal year (CF 08-1285). The Advisory Board of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with the City's Landscaping, Security, Programming and Maintenance Property Business Improvement District Ordinance [Division 6, Chapter 9, Los Angeles Administrative Code ("LSPM PBID Ordinance")], an Annual Planning Report for the District must be submitted for consideration by the City Council. The Lincoln Heights Business and Community Benefit District's Annual Planning Report for the 2010 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Lincoln Heights Business and Community Benefit District was established on July 29, 2008 by and through the City Council's adoption of Ordinance No. 180117, 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 the LSPM PBID Ordinance.

ANNUAL REPORT REQUIREMENTS

The LSPM PBID Ordinance states that the Lincoln Heights Business and Community Benefit District's Advisory Board shall cause to be prepared, for City Council approval, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the improvements and activities described in the report. The 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 December 11, 2009 meeting, complies with the requirements of the LSPM PBID Ordinance and reports that programs will continue, as outlined in the Management District Plan adopted by the Lincoln Heights Business and Community Benefit District property owners. The City Council may approve the Annual Planning Report as filed by the District's Advisory Board or may modify any particulars contained in the Annual Planning Report and approve it as modified.

FISCAL IMPACT

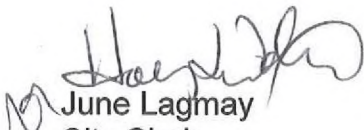
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

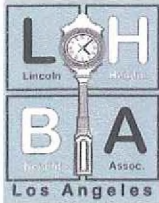
1. FIND that the attached Annual Planning Report for the Lincoln Heights Business and Community Benefit District's 2010 fiscal year complies with the requirements of the LSPM PBID Ordinance.
2. ADOPT the attached Annual Planning Report for the Lincoln Heights Business and Community Benefit District's 2010 fiscal year, pursuant to the LSPM PBID Ordinance.

Sincerely,


June Lagmay
City Clerk

JL:HLW:MP:RMH:rks

Attachment: Lincoln Heights Business and Community Benefit District's 2010 Fiscal Year Annual Planning Report

**Lincoln Heights Benefit Association of Los Angeles**

2716 N. Broadway #207, Los Angeles, CA 90031

323-255-5030, 323-257-1036 (Fax)

June Lagmay
City Clerk
Office of the City Clerk
200 North Spring St., Room 360
Los Angeles, Ca 90012

RE: 2010 Annual Planning Report for the Lincoln Heights Business Improvement District

To June Lagmay:

On December 11, 2009, the Lincoln Heights Benefit Assn. of Los Angeles, contracted through agreement No. C-115425 with the City of Los Angeles to manage services provided to the Lincoln Heights Business Improvement District, met with our Advisory Board to review the proposed 2010 budget and activities.

During the meeting of December 11, 2009, the BID management company presented the attached 2010 Annual Planning Report to our Advisory Board. The report was unanimously approved at that meeting.

On behalf of the Advisory Board, I would like to present this Advisory Board approved 2010 Annual Planning Report for the Lincoln Heights Business Improvement District to the Office of the City Clerk and to the Los Angeles City Council for their review and approval.

Please ask me if you have any questions.

Sincerely,

Misty Iwatsu

Misty Iwatsu, Executive Director

RECEIVED

JAN 15 2010

JUNE LAGMAY

RECEIVED

JAN 15 2010

ADMIN. SVCS



Lincoln Heights Benefit Association of Los Angeles

2716 N. Broadway #207, Los Angeles, CA 90031

323-255-5030, 323-257-1036 (Fax)

2010 Annual Planning Report

District Name:

Lincoln Heights Business Improvement District

Fiscal Year of Report:

This report applies to the 2010 Fiscal year only.

Benefit Zones:

The Benefit Zones for the Lincoln Heights Business Improvement District will remain the same for the 2010 fiscal year as in previous fiscal years. There are three benefit zones.

Improvements & Activities for 2010

Sidewalk Operations & Beautification

Maintenance: The maintenance supplied in 2009 will continue in 2010. The sidewalks will be swept 6 days per week and pressure washes four times per year for zones 1 & 3 and twice per year for zone 2. We have entered into a new contract for 2010 with Chrysalis, to provide this service. In addition to sidewalks, sidewalk furniture will also be cleaned on an as needed basis. Graffiti will be removed upon notification and identification. Trash will be removed 6 days per week and replaced with new liners. Bulky item will be removed as necessary. Plants and trees will receive watering, trenching and cleaning twice per month from H2O Pressure Washing.

Security: The security supplies in 2009 will continue in 2010. There will be 16 hour armed patrols of security 7 days a week. One-armed security guard will patrol the district in a patrol vehicle. Reports will be made by patrol on a daily basis and monthly reports will be generated. A quarterly reports will be supplies to provide a summary of each three months. This report will be added to the quarterly reports as well as the quarterly newsletters that are mailed to the stakeholders in the district.

The cost for providing Sidewalk and Beautification services for 2010 is estimated at \$395,395.00 or 66% of the 2010 budget.

District Identity

The marketing supplies in 2009 will continue in 2010. Maintenance of the website is under construction. Advertisement of the districts is planned. The district will begin publication of a new shopping guide for 2010. These will be distributed and displayed in stores and restaurants within the district. The district will also hold special events during the year and produce 4 newsletter publications per year. The district will continue holiday decoration in 2010. Additionally the district is seeking a grant of \$2,000 for holiday decorations, which will be used to market the District holiday activities.

The cost for providing District Identity for 2010 is estimated at \$55,918.00 or 9% of the 2010 budget.

Administrative/Corporate Operations

The district will continue to work in 2010 with the contracted ID management company for administration of the district services. The BID management company provides an office and a dedicated phone number for the district. It also holds contracts for Sidewalk Operations & Beautification and District Identity services with various companies and ensures that all work is completed. Additionally, the BID management company works with the City of Los Angeles and handles all financial and administrative requirements.

The cost of providing administration for 2010 is estimated at \$89,862.00 or 15% of the 2010 budget.

Contingency/ City Fees/ Reserve

The contingency for 2010 will continue to be 10% of the budget and is used to cover uncollected assessments and unexpected expenditures as well as City Fees charged by the City of Los Angeles and County of Los Angeles for collection and distribution of revenue. The 10% contingency for 2010 will be \$59,907.00. Any additional funds carried over from 2009 will be added to this category.

Total Estimate of Cost for 2010:

A breakdown of the total estimated 2010 budget is attached to this report as Appendix A.

Method and Basis of Assessment:

The method and Basis for levying the 2010 assessment for the Lincoln Heights Business Improvement District remains the same as listed in the Management District Plan, which is as follows:

Benefit Zone	Linear Frontage First Year Annual Costs	Lot Square Footage First Year Annual Costs	Building Square Footage First Year Annual Costs	Single Family Residential Parcels – Annual Cost/Sq. Ft. of building space
1	\$10.00	\$0.10	\$0.05	\$ 0.30
2	\$ 5.00	\$0.03	\$0.03	\$ 0.30
3	\$10.00	\$0.00	\$0.00	\$ 0.00

Amount of Surplus/Deficit from previous Fiscal Year: Based on the balance of accounts as of December 10 when this report was being drafted, the district is expected to have a surplus of \$ 307,107.33 from the 2009 fiscal year to be carried over into the 2010 fiscal year and used in the budget categories listed in Appendix A. There is no deficit from 2009 to be carried over. The surplus of \$307,107.33 is from the fact that the district did not receive funding and did not start operations until June of 2009.

Amount of Contributions from other Sources: The district anticipated receiving a grant for the creation and procurement of holiday decorations specifically for the use of marketing the district during the end of 2010. The approval of the grant is pending and the District expects notification of the award in August. If approved, the grant will be for \$2000.

Appendix A

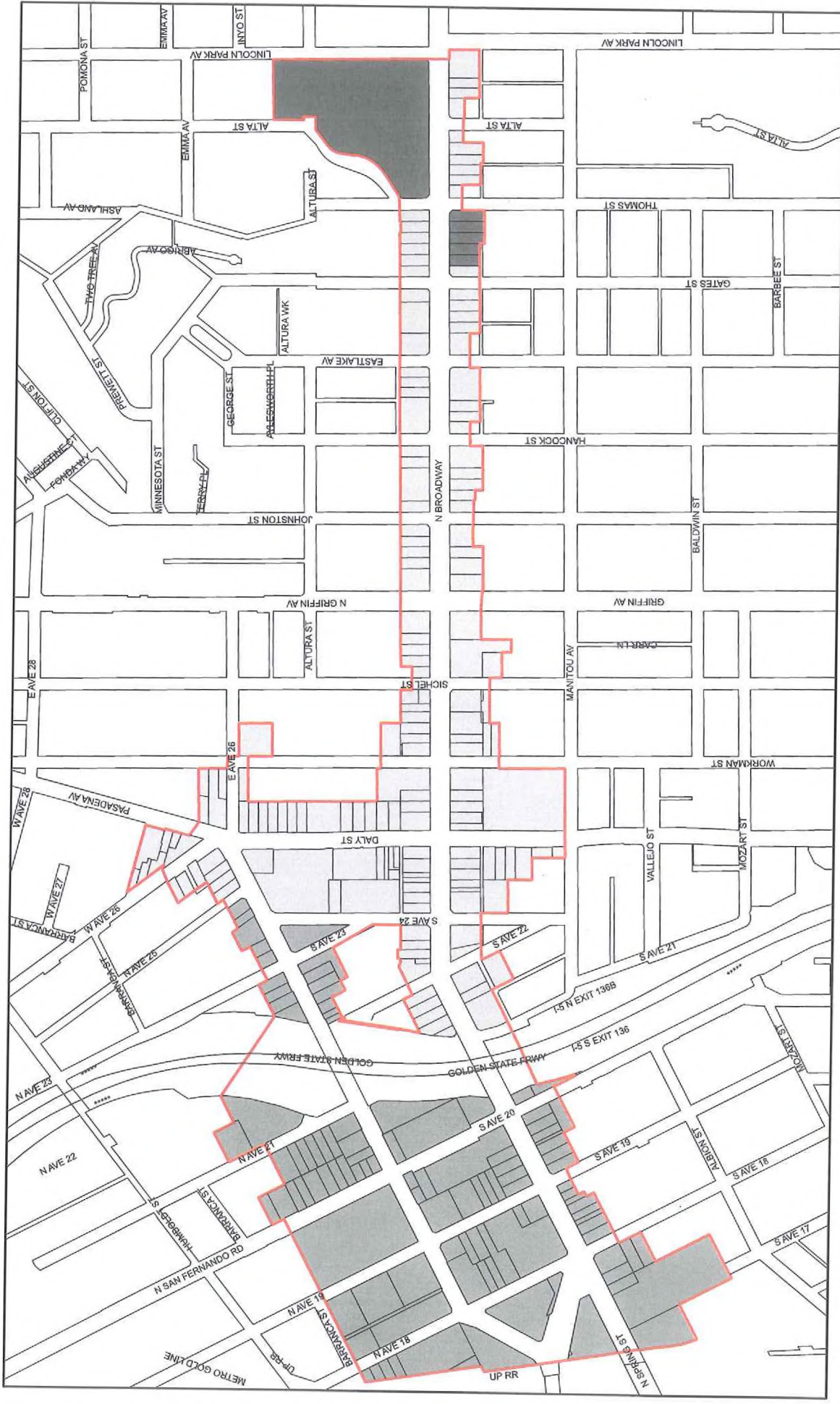
Total Estimate of Cost for the Lincoln Heights Business Improvement District Fiscal Year 2010

Estimated Receivables

2010 Assessments	\$599,082
2009 Carryover	\$307,107
2010 Estimated Contributions	\$2000
Total Estimated Budget	\$908,189

Estimated Expenditures

Sidewalk Operations & Beautification	\$395,395
Security	\$160,000
Maintenance	\$192,395
Pressure Washing	\$28,000
Plant Maintenance	\$15,000
District Identity	\$55,918
Holiday Decorations	\$12,000
Web Development	\$5,000
Newsletters	\$2,000
Marketing (Shopping Guide, Radio, Magazines, Newspapers)	\$36,918
Administrative/Corporate Operations	\$89,862
Salaries	\$70,000
Equipment/ Phone	\$3,600
CPA Reporting, City Requirements	\$4,000
Insurance	\$4,500
Office Supplies	\$3,881
Postage & Delivery	\$3,881
Contingency/ City Fees/ Reserve	\$59,907
Contingency	\$40,000
City Fees	\$15,000
Reserve	\$4,907
Carryover	\$307,107
Total Estimated Expenditures	\$908,189



Lincoln Heights Business and Community Benefit District 2009-2018

BUSINESS IMPROVEMENT DISTRICT
 NOT TO SCALE



— B.I.D. BOUNDARY (PROPERTY BASED)

- Benefit Zone 1
- Benefit Zone 2
- Benefit Zone 3

Ordinance 180117
 Council File 08-1285



Map by Planning Department - Systems & Data Division
 Date: 08/12/08

Lincoln Heights Benefit Association of Los Angeles

Meeting minutes of the Interim Board of Directors

Date: Friday, December 11, 2009

Time: 2:00PM-3:30PM

Place: Cafe in the Heights, 3510 N Broadway, LA 90031

I. Call to Order Meeting called to order at 2:20, Steve Kasten, chair.

II. Public comment

Irene reported a special on the H1N1 vaccine at Arroyo Vista which ends February 28. Also Arroyo Vista is offering a physical for \$25. George Magallanes from Ed Reyes' office expressed pleasure with the new Board. He emphasized the importance of maintaining the City's investment in the new furniture. He expressed the hope that the BID will change LH's image from gangs to prosperity. Property values will hopefully rise. Also CD1 has given out 6000 toys at 4 holiday events.

III. Approval of the minutes of 11-13-09.

Correction: Susan Ruelas was here. **MOTION:** Approve the minutes of the meeting on 11-13-09 with correction. **Moved: Wada/2nd Holguin. VOTE: Unanimous. Minutes approved.**

IV. Introductions In attendance (15)Claudia Agraz William Aparicio, Binu, Sunny Choi, Ruben Chavez, Irene Holguin, Jeffrey Kang, Steve Kasten, George Magallanes, Phil Peters, Dora Roberts, Saul Ruiz, Binu Rick Stoff, Paul Visconti and Frank Wada.

V. Discussion and Action Items

a. Planning Report

Misty presented the 2010 Annual Planning Report which will be sent to the City Clerk showing \$307,000 to be carried over into 2010. The total estimated budget is \$908,000, with approximately \$395,000 for sidewalk/beautification, \$53,000 for district identity, \$90,000 for administration and \$60,000 for contingency fees. There is no change from the District Plan. Out of \$599,000 assessed, \$500,000 was received. **MOTION:** Approve Management Plan for 2010. **Moved: Wada/2nd Aparicio. VOTE: unanimous. Motion passed.** Steve pointed out that Roberts Rules of Order allows us to contact a board member by phone or email for quorum. **MOTION:** The Board approves the contacting of absent board members by phone or email to obtain their votes if necessary for quorum. **Moved: Holguin/2nd Wada. VOTE: Unanimous. Motion passed.**

b. Reports from Vendors

i. Security Phil Peters from Post reported that they have been patrolling for 11 days from 12 noon to 4AM. He can be reached in the office at (626) 232-9335. Saul Ruiz is in charge of patrolling and Monica Alexander is the lead officer. She has been handing out stickers to the businessses. In a few days they will send out a letter on how to use the services. . Post's role is before the crime takes place. For criminal acts call LAPD. We can call the office 24-7. Misty pointed out that any call to POST should be accompanied by a call to LAPD or they will reduce the officers based on low stats. Binu offered donuts to the officers at 7-11. Our contract with Post for security is for 6 months.

ii. Maintenance

Rick reported 22678 lbs of trash removed. Chrysalis will continue to be responsible for cleanup and pressure washing and H2O for tree watering and treewell maintenance. Rick urged us to report to him any anecdotes regarding the maintenance. They will be there to clean up after the Parade on e district. Sunday. Pressure-washing started Wednesday at Lincoln Park Ave moving west. The whole district will get a good hot pressure wash initially. Gum will be removed from Ave 24 to Daly. Once a week bulky items will be removed. Alleys are not included in the contract at this time. Rick gave Misty an estimate for that. Dora pointed out that EW Bank pressure washes every other week on their parking lot and sidewalk. Irene reported a problem in the parking lot behind Arroyo Vista where a group of alcoholics congregate and leave junk – Rick will check it out. We may establish an operations committee to review contracts or we could continue to approve them by the whole Board.

iii. Replacement plants for planters. Claudia and Ruben planted palms and lantanas in the 12 planters.

c. Decorations

Decorations were installed on the light poles on Thursday. Post drove behind them. They went up

quickly. The light poles were supposed to have plugs but they don't. This makes it harder to light the decorations. Next year we hope to light the decorations, but it will be expensive.

d. Executive Director contract

Misty left the room as her contract was discussed. William expressed satisfaction with her expertise and said she is worth every penny of \$5000/month. Sevin pointed out that since she is only working part time for us perhaps she should receive less compensation. Steve suggested a survey of compensation for executive directors. He has expressed to Misty that the meeting notices should be mailed earlier and that they should go out to all the people on the sign-in sheets. Steve has donated office space in his building. Discussion: should Misty be expected to spend a specific amount of time there to give a public face to the BID? Perhaps one or two days. William wondered whether we should tie her down for two days a week but one day seems reasonable. The consensus was that one day and other times by appointment would be about right. **MOTION:** Approve executive director contract with Misty Iwatsu for \$5000/month requiring one regular business day a week at the office and other times by appointment. Either party may cancel the contract with 30 days written notice. **Moved: Wada/2nd Aparicio. VOTE: unanimous. Motion passed.**

e. District identity

Misty stated that we are required to publish 4 newsletters a year. Also we will publish a shopping guide and will continue with the holiday decorations. Misty is seeking a grant of \$2000 for holiday decorations from DWP for holiday lighting. Rick offered to have maintenance people drop off newsletters at the businesses. The website will have it when it gets running. Claudia would like to put it on the Facebook page she is operating for Lincoln Heights. Paul suggested that we post it on the Yahoo group. Frank recommended that we put out flyers informing the public that the BID is responsible for the decorations so that there will be no misunderstanding. This will increase support for the BID.

VI. Other business

Steve suggested that we look into a Farmer's Market and a trolley (no tracks) perhaps in coordination with El Sereno and Chinatown. Misty pointed out that we need to do everything in the plan first and everything must benefit the whole district, like the visitor guide. Frank and Sevin agreed to do some research. **MOTION:** The Board will research the possibility of a Farmer's market and a Trolley once the Plan is completed. **Moved: Wada 2nd Aparicio. VOTE: unanimous. Motion passed.**

VII. Adjournment

MOTION TO ADJOURN: Aparicio/2nd Wada VOTE: unanimous. Adjourned at 3:30PM. Next meeting January 8, 2010

Lincoln Heights Business and Community Benefit District
2010 Annual Report
2010 Fiscal Year Renewal Activities

Anticipated Assessment Revenue and Program Expenditures

Revenue Sources

2010 Special Assessment	\$ 599,082.00
2009 Carryover	\$ 307,107.00
2010 Estimated Contributions	\$ 2,000.00
2010 Total Estimated Budget	\$ 908,189.00

Program Expenditures

Sidewalk Operations & Beautification	\$ 395,395.00
District Identity	\$ 55,918.00
Administrative/Corporate Operations	\$ 89,862.00
Contingency/City Fees/Reserve	\$ 59,907.00
2009 rollover to be used in the above categories for 2010 (Appendix A)	\$ 307,107.00
2010 Total Estimated Expenditures	\$ 908,189.00