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# City of Los Angeles

CALIFORNIA



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MIRANDA PASTER  
ACTING DIVISION HEAD

June 30, 2011

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

Council Districts 4 & 13

REGARDING: EAST HOLLYWOOD BUSINESS IMPROVEMENT DISTRICT  
RENEWAL

Honorable Members:

This Office has received materials relative to the renewal of the existing East Hollywood Business Improvement District ("District"), located in Council Districts 4 and 13. The District would be renewed pursuant to the provisions of the Property and Business Improvement District Law of 1994 (Section 36600 et seq., Streets and Highways Code, State of California). All previous Council actions taken on the current District are contained in Council Files 06-1379 and 09-3027.

This report shall serve as the Preliminary Report of the City Clerk. Attached to this report are: 1) the Management District Plan, which details the improvements and activities to be provided and serves as the framing document for the proposed District; 2) a detailed Engineer's Report prepared by a registered professional engineer certified by the state of California, which supports the assessment contained in the Management District Plan; and 3) a draft Ordinance of Intention, approved as to form and legality by the City Attorney's Office.

## BACKGROUND

The District is being renewed in accordance with the provisions of the Property and Business Improvement District Law of 1994 (Section 36600 et seq., Streets and Highways Code, State of California)("State Law"), which allows for the renewal of a district in which operations would be supported by revenue collected from property owners in the district.

The proposed District programs include, but are not limited to the following: Streetscape and Landscape Projects, Maintenance, Administration and Advocacy, and Marketing and Promotion.

### PRELIMINARY PETITIONS

In order to proceed with the renewal process under the State Law, the proponent group needed to secure written support for the project in the form of petitions signed by property owners who will pay more than 50 percent of the assessments proposed to be levied. The proponent group for the renewal of the District has presented to the Office of the City Clerk a set of petitions that support the formation of the proposed District. This Office has verified the validity of the petitions using various City and County of Los Angeles sources. In addition, this Office has verified the accuracy of the assessment calculations.

The petitions received indicate affirmative financial support of the project in an amount equivalent to \$108,764.88. This represents 54.83 percent (54.83%) of the proposed District's projected first year assessment revenue of \$198,349.94. Because the more than 50 percent threshold of preliminary support has been achieved, the formal business improvement district renewal process, including a public hearing before the City Council, may be initiated.

### PROPOSED DISTRICT BOUNDARIES

The boundaries of the proposed District are detailed in the Management District Plan and include approximately 34 blocks in East Hollywood. A general description of the District is as follows: Vermont Avenue from Highway 101 north to Hollywood Boulevard in East Hollywood; along Hollywood Boulevard from Vermont Avenue west to Edgemont Street; and along Sunset Boulevard from Edgemont Street east to Lyman Place.

There are 132 parcels owned by 80 stakeholders in the proposed District. The map included in the District's Management District Plan gives sufficient detail to locate each parcel of property within the proposed District.

### DISTRICT RENEWAL AND PROPOSITION 218 COMPLIANCE

Article XIID of the California Constitution (Proposition 218) requires, among other things, that: 1) the City Council identify all parcels that will have a special benefit conferred upon them and upon which assessments will be imposed; 2) the City Council not impose an assessment on a parcel which exceeds the reasonable cost of the proportional benefit conferred on that parcel; 3) the City Council separate the general benefits from the special benefits conferred on a parcel; and 4) all assessments be supported by a detailed Engineer's Report prepared by a registered professional engineer certified by the State of California. The Engineer's Report included herewith supports the assessments contained in the Management District Plan and, in addition, includes facts, which would support City Council findings relative to items 1 through 3 above.

Proposition 218 also includes certain notice, protest and hearing requirements. Those requirements are codified in the Proposition 218 Omnibus Implementation Act ("Act") (California Government Code Section 53750 et seq.). This report recommends that the City Council direct the City Clerk to comply with the Act. Renewal of the proposed District is contingent upon the City's receipt of a weighted majority of financially supportive ballots

as submitted by the affected property owners. The City Clerk will tabulate the ballot returns and will report the results to the City Council.

### EXEMPTION UNDER PROPOSITION 26

On November 2, 2010, voters in the State of California passed Proposition 26, which broadened the definition of taxes and which require approval by two-thirds of each house of the Legislature or by local voter approval. However, Article XIII C §1(e)(7) of the California Constitution states that "assessments and property-related fees imposed in accordance with the provisions of Article XIII D are exempt." As previously stated, the proposed District is being established in accordance with Article XIII D of the California Constitution and is therefore exempt from Proposition 26.

### PROPOSED IMPROVEMENTS AND PROGRAMS

The District is expected to generate \$198,349.94 annually over a ten-year period with a maximum three percent (3%) increase per year. The revenue will be utilized to fund the proposed District's improvements and activities that include, but are not limited to: Streetscape and Landscape Projects, Maintenance, Administration and Advocacy, and Marketing and Promotion.

### ASSESSMENT FORMULA AND DISBURSEMENTS

The District's proposed assessment formula is based upon an allocation of program costs by three benefit zones as described in the attached Management District Plan with differing rates depending on type and frequency of special benefit services provided for properties in each zone. Assessments are a calculation of assessable parcel square footage and assessable frontage along Vermont Avenue.

The City Clerk will arrange to have the proposed District's assessments included as a line item on the property tax bills prepared and distributed by the County of Los Angeles. If necessary, this Office will directly bill property owners or entities that do not appear on the tax roll. The County will subsequently transfer assessment revenue to the City. Assessment revenue will be held in trust by the City and will be disbursed through installments to the District to support authorized District improvements and activities.

### CONTRACTING WITH OWNERS' ASSOCIATION

Upon the renewal of the District, State law requires that the City enter into an agreement with an Owners' Association for the administration of the District. City policy dictates that competitive bidding requirements are to be met when contracting. However, Charter section 371(e)(10) provides an exception to the competitive bidding requirements, and states, in relevant part, that the competitive bidding process does not apply to contracts "where the contracting authority finds that the use of competitive bidding would be undesirable, impractical or impossible or where the common law otherwise excuses compliance with competitive bidding requirements."

The Hollywood Chamber of Commerce has administered the East Hollywood BID since the District was originally established, overseeing expenditures, managing and implementing the District's improvements and activities. The Hollywood Chamber of Commerce possesses the unique knowledge and expertise relative to the administration of the District and has a vested interest in the success of the District. Therefore, it would be impractical, not advantageous and undesirable to comply with the competitive bidding requirements or to select another entity to administer the District, if the District is renewed.

### ASSESSABLE CITY PROPERTY

There are six (6) City-owned parcels within the District. The total assessment for these City-owned properties within the District is \$18,802.49, representing 9.48% of the total assessments levied in the District.

### FISCAL IMPACT

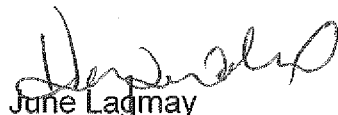
Funding for assessments levied on the City-owned properties within the District were included in the General Fund allocation to the 2011-12 Business Improvement District Trust Fund 659.

### RECOMMENDATIONS

1. FIND that the petitions submitted on behalf of the proponents of the proposed East Hollywood Business Improvement District are signed by property owners who will pay more than fifty (50) percent of the assessments proposed to be levied.
2. FIND that all parcels that will have a special benefit conferred upon them and upon which an assessment would be imposed are those as identified in the Management District Plan.
3. FIND that in accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the attached Engineer's Report, the assessment levied on each parcel within the proposed District is proportionate to the special benefit derived from the improvements and activities that are to be provided.
4. FIND that in accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the attached Engineer's Report, there are no general benefits to be separated from the special benefits conferred on each parcel within the proposed District.
5. FIND that in accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the attached Engineer's Report, no assessment imposed on any parcel exceeds the reasonable cost of the proportional special benefit conferred on that parcel.

6. FIND that the assessments for the proposed District are not taxes and that the District qualifies for exemption from Proposition 26 under exemption 7 of Article XIII C §1(e).
7. FIND that the services provided by the Owners' Association are in the nature of professional, expert, technical or other special services, that the services are of a temporary and occasional character, and that the use of competitive bidding would be impractical, not advantageous, undesirable or where the common law otherwise excuses compliance with competitive bidding requirements.
8. APPROVE the Hollywood Chamber of Commerce to serve as the Owners' Association to administer the East Hollywood Business Improvement District if the District is renewed.
9. ADOPT the Preliminary Report of the City Clerk.
10. ADOPT the attached Management District Plan.
11. ADOPT the attached Engineer's Report.
12. ADOPT the attached Ordinance of Intention to renew the East Hollywood Business Improvement District.
13. AUTHORIZE the City Clerk, upon establishment of the District, to prepare, execute and administer a contract between the City of Los Angeles and the Hollywood Chamber of Commerce, a non-profit corporation, for the administration of the District's programs.
14. DIRECT the City Clerk to comply with the notice, protest, and hearing procedures prescribed in the Proposition 218 Omnibus Implementation Act (California Government Code, Section 53750 et seq.).
15. REQUEST the City Attorney, with the assistance of the City Clerk, to prepare an enabling Ordinance renewing the East Hollywood Business Improvement District for Council consideration at the conclusion of the required public hearing.

Sincerely,



June Lagmay  
City Clerk

JL:HLW:MCP:RMH:PM:ev

Attachments:

Management District Plan  
Engineer's Report  
Draft Ordinance of Intention



# EAST HOLLYWOOD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

## MANAGEMENT DISTRICT PLAN

*Prepared pursuant to the State of California Property and Business Improvement District Law of 1994, as amended, and Section 4, Article XIII D of the California Constitution, to create a Property and Business Improvement District within the City of Los Angeles*

**January 1, 2012 – December 31, 2021**

**Prepared by**



*May 23, 2011*

**East Hollywood Property and Business Improvement District  
Management District Plan**

**Table of Contents**

I. Introduction and Overview ..... 1

II. History of East Hollywood Property and Business Improvement District ..... 3

III. East Hollywood Property and Business Improvement District Boundaries ..... 4

IV. Services..... 9

V. Assessment Information ..... 15

VI. District Governance..... 17

Appendix 1 – Assessment Calculation Table..... 18

**Attachment A – East Hollywood Property and Business Improvement District Engineer’s Report**

## I. INTRODUCTION AND OVERVIEW

Developed by a growing coalition of parcel owners, the East Hollywood Property and Business Improvement District (“District”), is a special assessment district that has funded improvements to the commercial area of East Hollywood, primarily along the major corridors of Vermont Avenue, Sunset Boulevard, Hollywood Boulevard and Edgemont Street. The District has reached the end of its first term; owners within the District desire to renew it. The renewed District will continue various programs and services to increase the commercial activity of the East Hollywood District. This approach has been used successfully in East Hollywood and other improvement districts throughout the country to increase sales, attract new tenants and increase occupancies.

**Location:** The District generally runs along Vermont Avenue from Highway 101 north to Hollywood Boulevard in East Hollywood; along Hollywood Boulevard from Vermont Avenue west to Edgemont Street; and along Sunset Boulevard from Edgemont Street east to Lyman Place. The District will be divided into three benefit zones based upon the services provided in each zone. A complete detailed boundary and benefit zone description can be found in Section III.

**Services:** To increase commercial activities, attract new businesses, and increase patronage to individual assessable parcels located within the boundaries of the District, the renewed District will continue to provide the following services: streetscape improvements and landscaping programs to improve the image of the District; litter and debris removal, median landscape maintenance, tree watering and trash receptacle cleaning; machine washing of sidewalks; graffiti removal; a marketing and promotions program targeting the positive image enhancement of the District; representation of parcel owners interests and acquisition of funds and grants to improve the East Hollywood District.

**Budget:** The total maximum District budget in the first year of operation is \$198,349.94 with a maximum increase of 3% per year for the District’s ten (10) years of operation.

**Financing:** The District’s source of financing will be special assessments levied on benefiting parcels located within the boundaries of the District. Parcels zoned RD1.5 or RD3, including residential and agricultural uses, are exempt from assessment. The District will be divided into three benefit zones with assessment rates based upon the services provided to each zone. The assessment rates for each zone are:

<b>Zone</b>	<b>Lot Rate (\$/Parcel Sqft/Yr)</b>	<b>Frontage Rate (\$/Front Ft/Yr)</b>
1	\$0.059300	\$0.055500
2	\$0.029650	\$0.027750
3	\$0.016011	\$0.014985

For a detailed discussion on rates and benefits supporting these rates see Section V, Assessment Information.

**Renewal:** District renewal requires submittal of petitions from parcel owners representing more than 50% of the total annual assessment. The “Right to Vote on Taxes Act” (also known as Proposition 218) requires a ballot vote in which a majority of the ballots returned favor forming the District.



Duration: The District will have a ten-year life. The timeline for implementation and completion of the District's Management District Plan will be January 1, 2012 to December 31, 2021. After ten (10) years, if the District were to continue a new Management District Plan and Engineer's Report must be prepared, and the petition, ballot, and hearing processes must be repeated.

## **II. HISTORY OF EAST HOLLYWOOD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT**

East Hollywood property and business owners began to develop an organizational structure of financing to address some of the challenges in the East Hollywood commercial corridor in 2006. Part of this endeavor was a coordinated effort to distinguish East Hollywood as a desirable commercial area in Los Angeles. The *East Hollywood Property and Business Improvement District Management District Plan* (Management District Plan), and the creation of an Owners' Association, with a secure funding mechanism, provided another critical step in achieving the vision developed by the parcel and business owners.

Preliminary results were obtained from parcel and business owners. Cleaning and painting of physical improvements were identified as a high priority. When asked how limited resources should be allocated, many parcel owner and business owner groups indicated a desire for increased physical improvement and cleaning services. Many respondents also suggested that marketing and promotions were also important program considerations for the area. Some stakeholders responded that they would dedicate resources to the development of an advocacy program for East Hollywood. The respondents agreed that there is need for immediate action in the key problem areas and that the business improvement district option should be explored.

In 2010, Stakeholders again held meetings to discuss renewing the District. Stakeholders determined it would be beneficial to renew the District, and began holding meetings to determine service priorities and undertake the renewal process.

### **III. EAST HOLLYWOOD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT BOUNDARIES**

The District will deliver services along the East Hollywood commercial corridor. The District includes commercially zoned parcels along Vermont Avenue from Highway 101 north to Hollywood Boulevard; along Hollywood Boulevard from Vermont Avenue west to Edgemont Street; and along Sunset Boulevard from Edgemont Street east to Lyman Place. The District is generally comprised of commercially-zoned parcels with street frontage along Vermont Avenue, Sunset Boulevard, and Hollywood Boulevard, and includes some public-use parcels.

The boundaries of the District are more particularly described as follows:

#### **District Boundary**

Beginning at the southeast corner of the intersection of Hollywood Boulevard and Vermont Avenue, southeast along the south side of Hollywood Boulevard to the northeast corner of Assessor Parcel Number (APN) 5542-014-001 (Map Key 62). South along the eastern boundary of parcels fronting the east side of Vermont Avenue to the northwest corner of APN 5542-015-022 (Map Key 68). East along the northern boundary of parcels fronting the north side of Sunset Boulevard to Rodney Drive. South along the west side of Rodney Drive, across Sunset Boulevard. East along the south side of Sunset Boulevard to Lyman Place. South along the west side of Lyman Place to Fountain Avenue. West along the north side of Fountain Avenue to a point opposite the northeast corner of APN 5542-018-035 (Map Key 79). South across Fountain Avenue and continuing south along the eastern boundary of parcels fronting the east side of Vermont Avenue across La Mirada Avenue, Lexington Avenue, Vermont Place, Santa Monica Boulevard, Willow Brook Avenue, Lockwood Avenue, Burns Avenue, Normal Avenue, Monroe Street, Marathon Street, Melrose Avenue, and Clinton Street to the north side of US Highway 101.

Northwest along the north side of US Highway 101 across Vermont Avenue to the southwest corner of APN 5538-028-010 (Map Key 17).

North along the western boundary of parcels fronting the west side of Vermont Avenue, across Clinton Street, Melrose Avenue, Monroe Street, Willow Brook Avenue, Santa Monica Boulevard, Lexington Avenue, and Fountain Avenue, to the south line of APN 5543-013-002 (Map Key 108). West along the southern boundary of parcels fronting the south side of Sunset Boulevard across New Hampshire Avenue, L Ron Hubbard Way, Catalina Street, and Edgemont Street to the southwest corner of APN 5543-020-023 (Map Key 124). North along the western boundary of APN 5543-020-023 (Map Key 124) across Sunset Boulevard and continuing north along the western boundary and east along the northern boundary of APN 5543-007-025 (Map Key 90) to Edgemont Street. Northeast across Edgemont Street to the northwest corner of APN 5543-010-017 (Map Key 97), and continuing east along the northern boundary of said parcel. North along the western boundary of APN 5543-010-900 (Map Key 98), APN 5543-011-901 (Map Key 100), and APN 5543-009-902 (Map Key 96), then west along the southern boundary of APN 5543-009-021 (Map Key 92), across Edgemont Street, and continuing west along the southern boundary and north along the western boundary of APN 5543-008-007 (Map Key 91) across Hollywood Boulevard to the northwest corner of APN 5589-038-036 (Map Key 132).

East along the northern boundary of parcels fronting the north side of Hollywood Boulevard, across Edgemont Street and Berendo Street to New Hampshire Avenue. South along the west side of New Hampshire Avenue, across Hollywood Boulevard. Southeast along the south side of Hollywood Boulevard to the point of beginning.

Assessor's Parcel Number 5589-028-900, at the northwest corner of the intersection of Hollywood Boulevard and Vermont Avenue will not receive services and will not be included in the District.

## **Benefit Zones**

### **Zone 1**

Zone 1 includes parcels fronting the east side of Vermont Avenue between the south side of Hollywood Boulevard and the north side of Sunset Drive; parcels fronting the north side of Sunset Boulevard between the east side of Vermont Avenue and the west side of Rodney Drive; parcels fronting the south side of Sunset Boulevard between the west side of Edgemont Street and the west side of Vermont Avenue; parcels fronting the west side of Vermont Avenue between the south side of Sunset Boulevard and the north side of Willow Brook Avenue; parcels fronting the east side of Vermont Avenue between the south side of Fountain Avenue and the north side of Monroe Street; the parcels fronting the east side of Vermont Avenue between the south side of Marathon Street and the north side of US Highway 101; and the parcels fronting the west side of Vermont Avenue between the south side of Melrose Avenue and US Highway 101.

### **Zone 2**

Zone 2 includes all parcels within the District boundaries northeast of the intersection of Sunset Boulevard and Vermont Avenue; the block bounded by Vermont Avenue in the west, Sunset Boulevard in the north, Lyman Place in the east, and Fountain Avenue in the south; and the block bounded by New Hampshire Avenue in the west, Monroe Street in the north, Vermont Avenue in the east, and Melrose Avenue in the south.

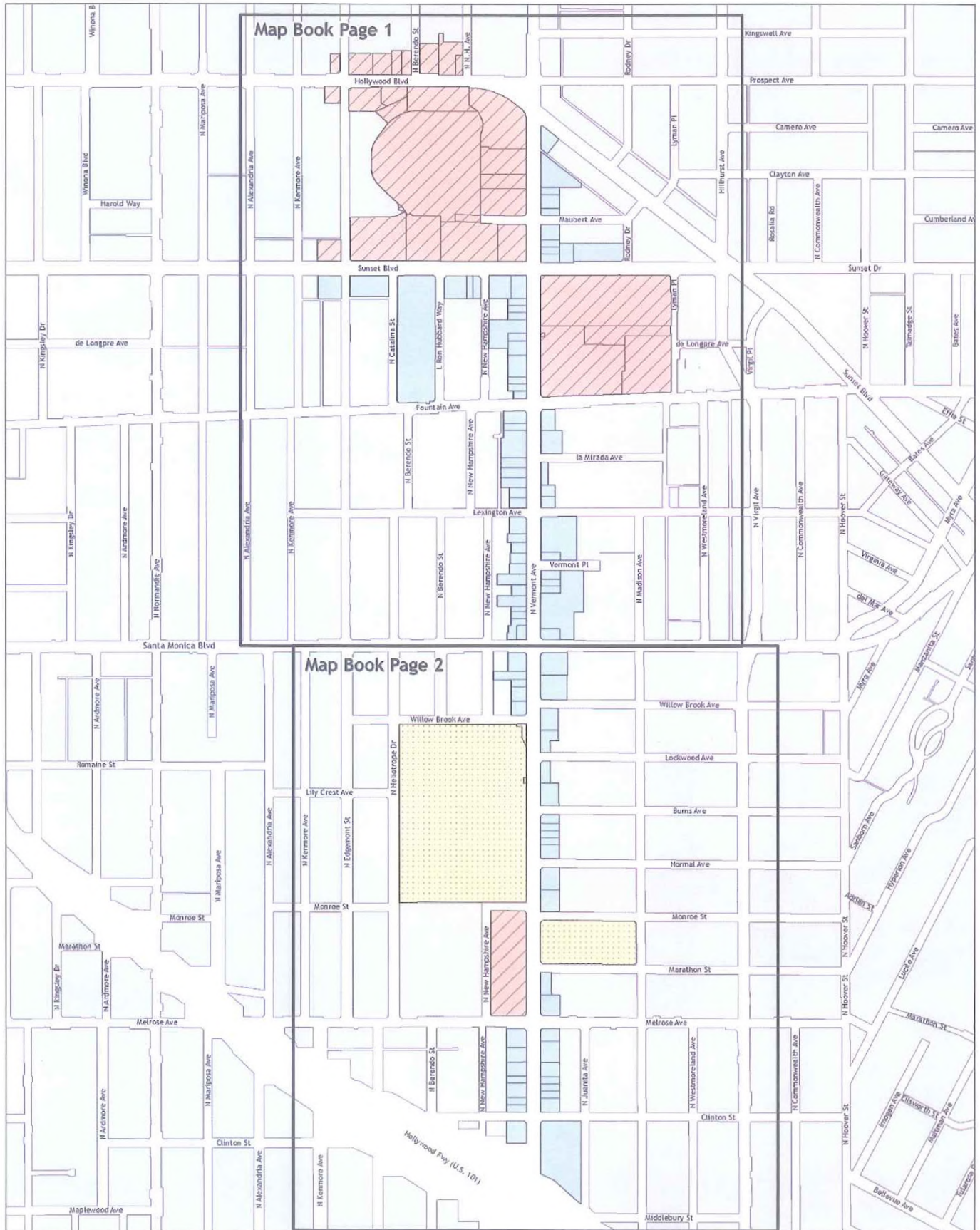
### **Zone 3**

Zone 3 includes parcels fronting the west side of Vermont Avenue between the south side of Willow Brook Avenue and the north side of Monroe Street; and the parcel fronting the east side of Vermont Avenue between the south side of Monroe Street and the north side of Marathon Street.

District boundaries and benefit zones were developed based on the special benefits to be received by individual assessable parcels along the major commercial corridors of Vermont Avenue, Hollywood Boulevard, Sunset Boulevard, and Edgemont Street. Parcels were reviewed to determine the parcel's zoning, if the parcel was included in an existing District, and if the parcel would receive special benefits from the District services. The District includes 132 parcels. For further information, a District Boundary Map showing benefit zones is included on the following three pages.

# East Hollywood Property & Business Improvement District District Overview

- Zone 1
- Zone 2
- Zone 3



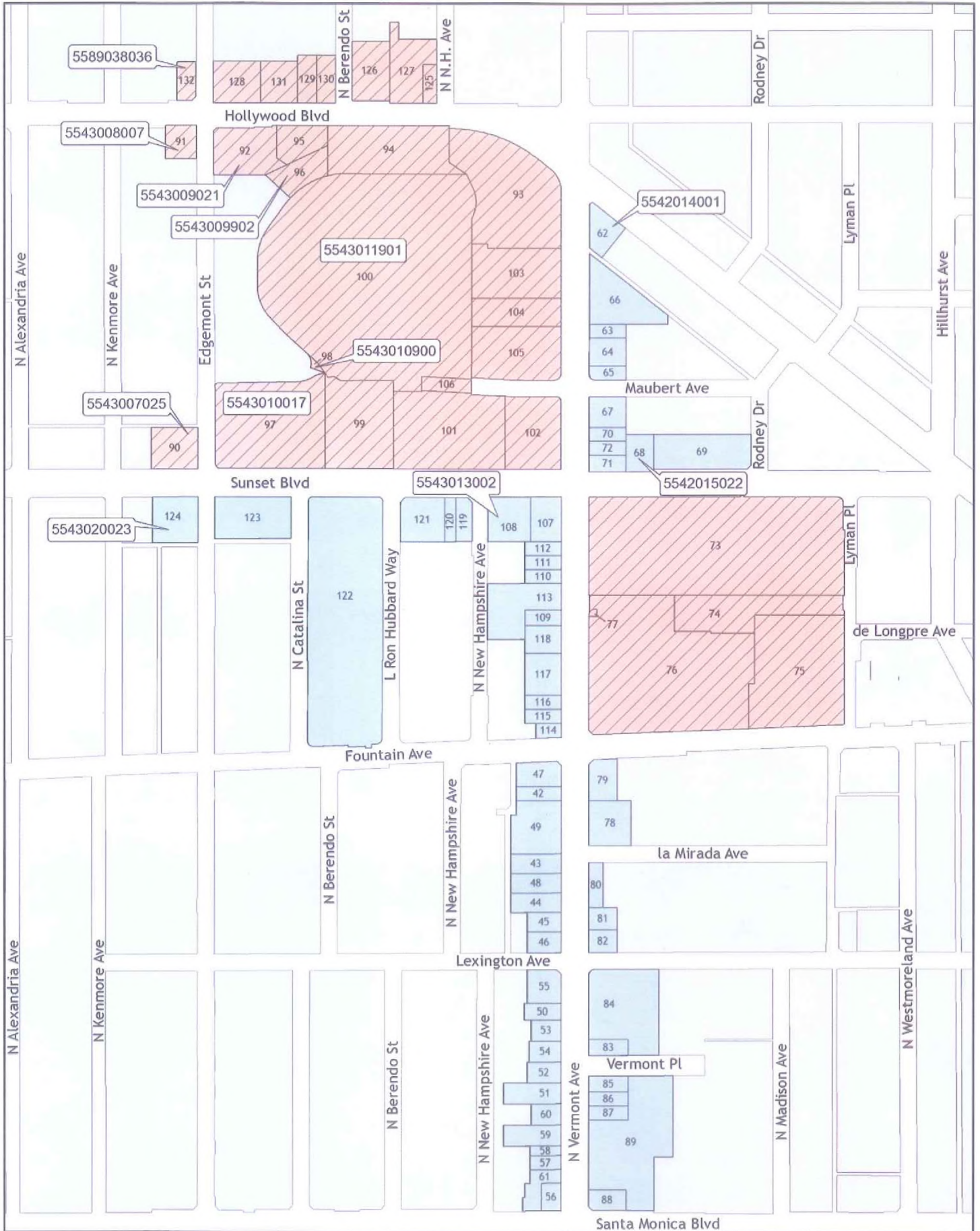


# East Hollywood Property & Business Improvement District

Map Book Page 1 of 2



- Zone 1
- Zone 2
- Zone 3



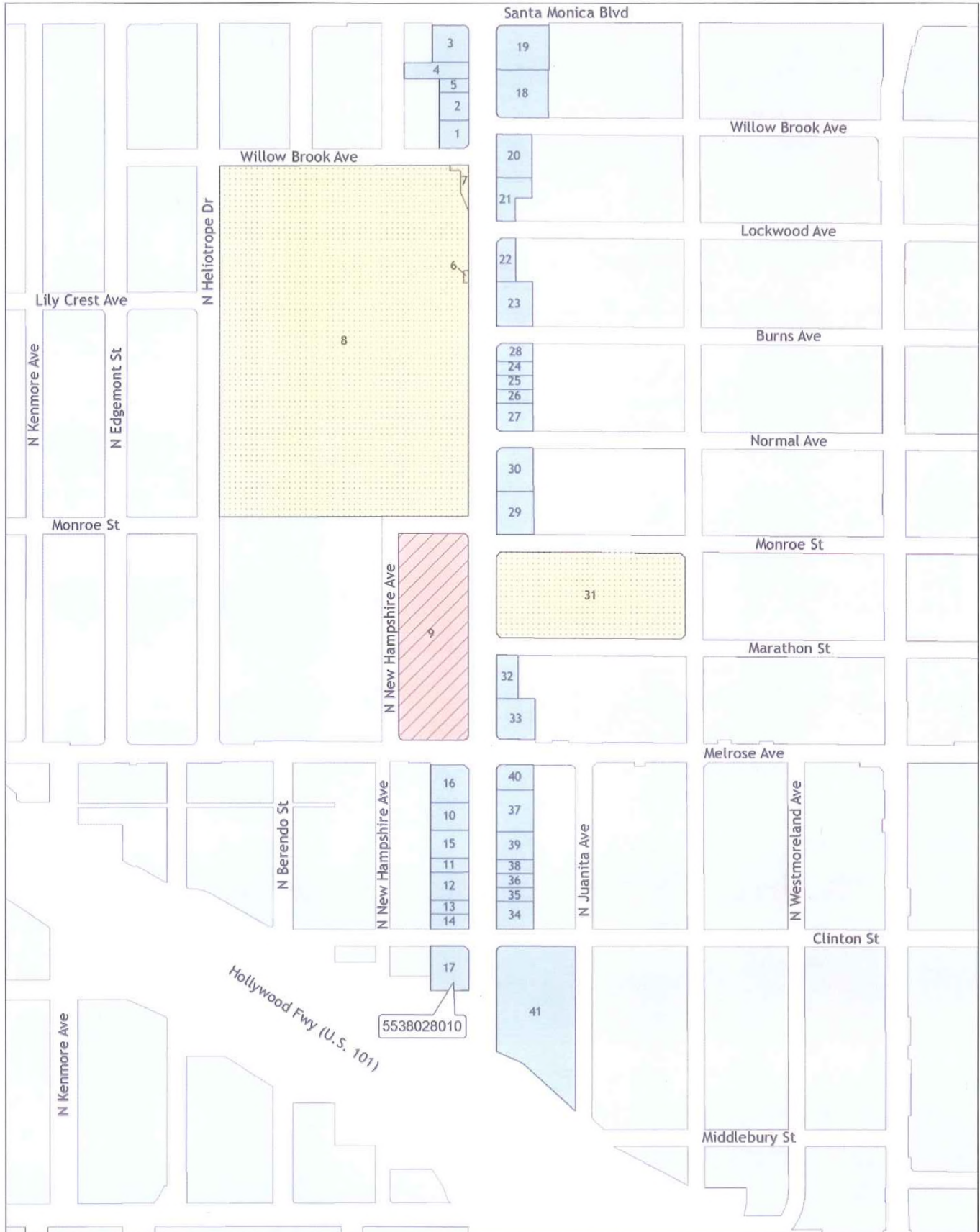


# East Hollywood Property & Business Improvement District

Map Book Page 2 of 2



- Zone 1
- Zone 2
- Zone 3



## IV. SERVICES

The renewed District will continue providing services for individual assessable commercial parcels within the District boundaries. All special benefits conferred on each parcel shall be provided based upon this Management District Plan. For detailed support of the assessments, please see the attached Engineer's Report. Descriptions and budgets of the District's programs and services are provided on the following pages.

The following are programs and services to be provided by the renewed District within the district boundaries:

### 1. Streetscape and Landscape Projects

By continuing streetscape and landscape projects, the District will continue building long-lasting aesthetic enhancements. Over time, this will continue to improve the area. Some of these improvements will be tree planting, and weed removal throughout the District, maintaining aesthetic quality, painting streetlight poles, and landscaping. Streetscape and landscape projects and services will only be provided within the District boundaries.

### 2. Maintenance

The District's tree trimming, sidewalk cleaning, median landscape maintenance, trash receptacle cleaning, and litter removal services are above and beyond the baseline of services currently delivered by the City of Los Angeles. Maintenance services will only be provided within the District boundaries.

*Clean-Up Personnel:* Full-time personnel will collect and remove litter and remove refuse and debris from sidewalks within the District boundaries on a regular basis. This will include gutter and storm drain cleaning, and removal of illegally dumped litter.

*Median Landscape Maintenance:* Median improvements are currently under construction. Median service will include weed removal and trimming to provide a welcoming, attractive business environment.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a regular basis from receptacles located within the boundaries of the District.

*Tree Watering and Trimming:* Trees within the District boundaries will be watered and trimmed within the boundaries of the District to ensure that businesses are visible and the business environment is free from trash and debris caused by falling limbs and leaves.

*Sidewalk Cleaning:* Sidewalks within the District boundaries will be pressure washed on a schedule set by the Owners' Association. There will also be ongoing spot removal, including graffiti and sticker removal, within the boundaries of the District as needed.

### 3. Administration and Advocacy

The District's administrative staff will represent the area in support of policies, initiatives and legislative actions that enhance the District's ability to develop as a vibrant commercial area. The District will represent businesses in matters relating to alternative resources, effective land use, planning decisions, and economic development initiatives. Administration services will only be provided to individual assessable parcels within the District boundaries.

#### 4. Marketing and Promotion

The District will have a unified marketing and promotion program that will collaborate with District businesses. It is the intent of this program to allow the public to view the area as a single destination with a rich collection of attractions, events and services. These programs will include marketing, promotions and business advocacy. Goals of this program include increased customer traffic and sales. The Owners' Association will work in conjunction with the local Chamber of Commerce to promote the District, which may include the use of pole banners, logos, promotional materials including visitors' guides, and press releases. Marketing and promotion services will only be provided to individual assessable parcels within the District boundaries. According to the District's benefit zones, these marketing services will be provided to the assessable parcels within the boundaries of the District.

Services provided by the District will be based on benefit zone. Parcels in Zone 1 will receive the most services because they have the highest amount of pedestrian traffic and need for services. Parcels in Zone 2 will receive fewer services than Zone 1 as they have less pedestrian traffic and need for services, and parcels in Zone 3 will receive fewer services than both Zones 1 and 2 as they have the least amount of pedestrian traffic and need for services. Services provided in Zones 2 and 3 which are also provided in Zone 1, and services provided in Zone 3 which are also provided in Zone 2, will be provided at lesser frequencies than those in the respective higher zones.

#### *Zone 1*

Parcels in Zone 1 will receive the following services. Services provided in Zone 1 will be provided to individual assessable parcels one deep (fronting) Vermont Avenue and Sunset Boulevard, respectively.

##### 1. Streetscape and Landscape Projects

Parcels in Zone 1 will receive tree planting, landscape maintenance, weed removal throughout the Zone, aesthetic quality improvements, painting streetlight poles, and landscaping. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

##### 2. Maintenance

*Clean-Up Personnel:* Full-time personnel will collect and remove litter and remove refuse and debris from Zone 1 sidewalks on a regular basis. This will include gutter and storm drain cleaning, and removal of illegally dumped litter. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Median Landscape Services:* Median landscaping will be maintained to provide a welcoming, attractive business environment. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a regular basis.. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Tree Watering and Trimming:* Newly planted trees will be watered and trimmed to ensure that businesses are visible All trees within the Zone 1 boundaries will be tended to as needed. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Sidewalk Cleaning:* Sidewalks in Zone 1 will be pressure washed at least three times per year. There will also be ongoing spot removal, including graffiti and sticker removal, within the Zone 1

boundaries as needed. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

### 3. Administration and Advocacy

The District's administrative staff will represent the zone in support of policies, initiatives and legislative actions that enhance Zone 1's ability to develop as a vibrant, contributing member of the Los Angeles region as a whole. The District will advocate for additional alternative resources, effective land use, planning decisions, and economic development initiatives. These services will only be provided to individual assessable parcels within the district and zone 1 boundaries.

### 4. Marketing and Promotion

The District will have a unified marketing and promotion program that will collaborate with Zone 1 businesses. It is the intent of this program to allow the public to view the zone as a single destination with a rich collection of attractions, events and services. These programs will include marketing, promotions and business advocacy. Goals of this program include increased customer traffic, sales and property values. The Owners' Association will work in conjunction with the local Chamber of Commerce to promote Zone 1 parcels which may include the use of pole banners, logos, promotional materials including visitors' guides, and press releases. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

## ***Zone 2***

Zone 2 will receive the following services. Services provided in Zone 2 will be provided to individual assessable parcels one deep (fronting) Hollywood Boulevard, Edgemont Street, Sunset Boulevard, Vermont Avenue and Lyman Place; those individual assessable parcels which are included in the two blocks encompassed by Hollywood Boulevard, Vermont Avenue, Sunset Boulevard and Edgemont Street; and the block encompassed by N. New Hampshire Avenue, Monroe Street, W. Vermont Street and Melrose Avenue.

### 1. Streetscape and Landscape Projects

The district will provide Zone 2 parcels with limited landscape and streetscape projects, namely tree planting and painting streetlight poles. These services will only be provided to individual assessable parcels within the district and Zone 2 boundaries.

### 2. Maintenance

*Median Landscape Services:* Medians will be maintained to provide a welcoming, attractive business environment. These services will only be provided to individual assessable parcels within the district and Zone 2 boundaries.

*Tree Watering and Trimming:* Newly planted trees will be watered and trimmed to ensure that businesses are visible. All trees within the Zone 2 boundaries will be tended to once per year. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a limited. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

*Sidewalk Cleaning:* Sidewalks in Zone 2 will be pressure washed at least two times per year. There will also be ongoing spot removal, including graffiti and sticker removal, within the Zone 2 boundaries as needed. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

### 3. Administration and Advocacy

The District's administrative staff will advocate in support of policies, initiatives and legislative actions that enhance Zone 2's ability to develop as a vibrant, contributing member of the Los Angeles region as a whole. The District will advocate for additional alternative resources, effective land use, planning decisions, and economic development initiatives. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

### *Zone 3*

Parcels in Zone 3 will receive the following services. Services provided in Zone 3 will be provided to individual assessable parcels one deep (fronting) Vermont Avenue.

#### 1. Streetscape and Landscape Projects

Parcels in Zone 3 will receive painted streetlight poles. Zone 3 parcels will also receive tree planting; however, there is very little space in Zone 3 for tree planting so this service will be limited. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

#### 2. Maintenance

*Median Landscape Services:* Medians will be maintained to provide a welcoming, attractive business environment. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a very limited basis from receptacles. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

*Sidewalk Cleaning:* Sidewalks will be pressure washed at least once per year. There will also be graffiti and sticker removal within the Zone 3 boundaries as needed. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

#### 3. Administration

The District's administrative staff will coordinate the services provided to parcels in Zone 3. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

*Summary of District Services Provided by Zone*

Service	Zone 1	Zone 2	Zone 3
Tree Planting	√	√	√ (limited)
Landscape Services	√		
Weed Removal	√		
Painting Streetlight Poles	√	√	√
Landscape Installation	√		
Clean-Up Personnel	√		
Median Landscape Services	√	√	√
Trash Receptacle Service	√	√	√ (limited)
Tree Watering and Trimming	√ (as needed)	√ (1x year)	
Sidewalk Cleaning	√ (3x year)	√ (2x year)	√ (1x year)
Administration	√	√	√
Advocacy	√	√	
Marketing & Promotions	√		

**Annual Budget**

The table on the next page outlines the District’s annual budget and reflects possible 3% increases for the second through tenth years of the District. Each year the Owners’ Association can decide to implement an assessment increase of up to 3% based on the Consumer Price Index (CPI).

The District special assessment will appear as a separate line item on annual Property Tax bills prepared by the County of Los Angeles.

As stipulated by Proposition 218, assessment District programs and activities may confer a combination of general and special benefits to properties, but the only program benefits that can be funded through assessments are those attributed to special property related benefits. For the purposes of this analysis, a “general benefit” is hereby defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. From this, the definition of “special benefit” would thereby be: “A benefit unique and special to identified properties resulting from the improvement, activity, or service to be provided by the assessment levied”. Proposed District assessments will only be levied on individual assessable parcels within District boundaries and, in turn, assessment revenues will only be spent on programs, improvements and services that provide direct or special benefit to individual assessable parcels within the District boundaries. It is hereby determined that any general benefits are not quantifiable, measurable or tangible in the District area and to the surrounding community or the public in general. The programs and services listed in this Management District Plan will constitute a special benefit to each of the individual assessable parcels within the District as those services are designed to increase foot traffic, improve the commercial core, increase marketing of commercial entities in the District and improve the aesthetic appearance of the District. These services will only be provided to individual assessable parcels within the District boundaries.

The Owner’s Association shall not issue bonds to finance any services or improvements of the district.



### Annual Budget, Year One

Service Type	Budget Percent	Year One \$ Amount
Streetscape/Landscape	37%	\$73,389.48
Maintenance	31%	\$61,488.48
Administration/Advocacy	18%	\$35,702.99
Marketing	11%	\$21,818.49
Contingency	3%	\$5,950.50
<b>Total</b>	100%	\$198,349.94

The District's annual budget will be developed by the Owners' Association. Each year, surplus of the remaining budget will be carried forward to the next year's operating budget. Any accrued interest and delinquent payments will be expended in the budgeted categories.

### District Annual Assessment Totals Reflecting Possible 3% Increase Per Year

Category	Streetscape	Maintenance	Marketing	Admin	Contingency	Total
% Budget	37%	31%	11%	18%	3%	100%
<b>2012</b>	\$73,389.48	\$61,488.48	\$21,818.49	\$35,702.99	\$5,950.50	\$198,349.94
<b>2013</b>	\$75,591.16	\$63,333.14	\$22,473.05	\$36,774.08	\$6,129.01	\$204,300.44
<b>2014</b>	\$77,858.90	\$65,233.13	\$23,147.24	\$37,877.30	\$6,312.88	\$210,429.45
<b>2015</b>	\$80,194.66	\$67,190.12	\$23,841.66	\$39,013.62	\$6,502.27	\$216,742.33
<b>2016</b>	\$82,600.50	\$69,205.83	\$24,556.91	\$40,184.03	\$6,697.34	\$223,244.60
<b>2017</b>	\$85,078.52	\$71,282.00	\$25,293.61	\$41,389.55	\$6,898.26	\$229,941.94
<b>2018</b>	\$87,630.87	\$73,420.46	\$26,052.42	\$42,631.24	\$7,105.21	\$236,840.20
<b>2019</b>	\$90,259.80	\$75,623.08	\$26,833.99	\$43,910.17	\$7,318.36	\$243,945.41
<b>2020</b>	\$92,967.59	\$77,891.77	\$27,639.01	\$45,227.48	\$7,537.91	\$251,263.77
<b>2021</b>	\$95,756.62	\$80,228.52	\$28,468.19	\$46,584.30	\$7,764.05	\$258,801.68

#### Budget Adjustments

Any annual budget surplus or deficits will be rolled into the following year's District budget. The budget will be set accordingly, within the constraints of the CPI to adjust for surpluses or deficits carried forward. Upon the termination of the District, any remaining funds will be transferred to the renewed District, if one is established pursuant to Streets and Highways Code Section 36660 (b). Unexpended funds will rollover one year to the next and will be returned to property owners if the District is not renewed.

## V. ASSESSMENT INFORMATION

### Assessment Formula

Individual assessable parcels shall be assessed a lot rate and a frontage rate according to each parcel's proportionate special benefit derived from the services provided to that parcel's benefit zone. A detailed description of the services provided by the District within each benefit zone is included in Section IV, Services, of this Management District Plan. Parcels zoned RD1.5 or RD3, including residential and agricultural uses, will not be assessed. The assessment rates are shown below.

<b>East Hollywood PBID Initial Annual Assessment Rates</b>		
<b>Parcel Use and Benefit Zone</b>	<b>Lot Rate (\$/Parcel Sqft/Yr)</b>	<b>Frontage Rate (\$/Front Ft/Yr)</b>
Commercially zoned parcels in Zone 1	\$0.059300	\$0.055500
Commercially zoned parcels in Zone 2	\$0.029650	\$0.027750
Commercially zoned parcels in Zone 3	\$0.016011	\$0.014985
Parcels zoned RD1.5 or RD3 in Zones 1-3	Not Assessed	

### Changes to Zoning

If the zoning of a parcel changes during the term of this District, the assessment calculation may be modified accordingly.

### Assessments on Public Parcels

Proposition 218, also known as "The Right to Vote on Taxes Act", states that "parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit." All parcels in the District are assessed on their parcel square footage and Vermont Street front footage and receive District services and special benefits from those services. All publicly-owned individual assessable parcels will receive all of the services provided in the parcel's respective zone; therefore, those parcels will be assessed as the full rate for their respective zones.

### L.A. COUNTY METROPOLITAN TRANSIT AUTHORITY

APN	Zone	Parcel Size	Parcel Assessment	Vermont Frontage	Frontage Assessment	Total Assessment	Percent
5538022903	1	17,137.00	\$1,016.22	128.00	\$7.10	\$1,023.32	0.516%
5538022900	1	10,498.00	\$622.53	100.00	\$5.55	\$628.08	0.317%
5538022904	1	13,225.00	\$784.24	58.00	\$3.22	\$787.46	0.397%
5538022905	1	5,271.00	\$312.57	50.00	\$2.78	\$315.35	0.159%
5542015900	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17	0.196%
5542015901	1	7,797.00	\$462.36	60.00	\$3.33	\$465.69	0.235%
5542015902	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17	0.196%
5538023904	3	4,356.00	\$69.74	144.00	\$2.16	\$71.90	0.036%
5538023903	3	706.00	\$11.30	42.00	\$0.63	\$11.93	0.006%
5542017900	2	666.00	\$19.75	23.00	\$0.64	\$20.39	0.010%

<b>TOTAL</b>		<b>72,654</b>	<b>\$4,069.49</b>	<b>705</b>	<b>\$30.97</b>	<b>\$4,100.46</b>	<b>2.07%</b>
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LA City

APN	Zone	Parcel Size	Parcel Assessment	Vermont Frontage	Frontage Assessment	Total Assessment	Percent
5543009900	2	81,022.00	\$2,402.30	0.00	\$0.00	\$2,402.30	1.211%
5543012900	2	9,148.00	\$271.24	0.00	\$0.00	\$271.24	0.137%
5543011901	2	503,554.00	\$14,930.38	0.00	\$0.00	\$14,930.38	7.527%
5543010900	2	1,228.00	\$36.41	0.00	\$0.00	\$36.41	0.018%
5543009902	2	17,860.00	\$529.55	0.00	\$0.00	\$529.55	0.267%
5543009901	2	21,336.00	\$632.61	0.00	\$0.00	\$632.61	0.319%
<b>TOTAL</b>		<b>634,148</b>	<b>\$18,802.49</b>	<b>0.0</b>	<b>\$0.00</b>	<b>\$18,802.49</b>	<b>9.48%</b>

L.A. City Community College District

APN	Zone	Parcel Size	Parcel Assessment	Vermont Frontage	Frontage Assessment	Total Assessment	Percent
5538023905	3	1,110,780.00	\$17,784.70	1,048.00	\$15.70	\$17,800.40	8.974%
5539016901	3	204,732.00	\$3,277.96	316.00	\$4.74	\$3,282.70	1.655%
<b>TOTAL</b>		<b>1,315,512</b>	<b>\$21,062.66</b>	<b>1,364</b>	<b>\$20.44</b>	<b>\$21,083.10</b>	<b>10.63%</b>

**Residential and Agricultural Parcels**

California Streets and Highways Code Section 36632(c) states, “Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessment pursuant to this part.” Therefore, parcels that are zoned RD1.5 or RD3 within the District boundaries will not be assessed.

**Time and Manner for Collecting Assessments**

The District special assessment will appear as a separate line item on annual Property Tax bills prepared by the County of Los Angeles. Property Tax bills are generally distributed in the fall, and payment is expected by lump sum or installments. The County of Los Angeles shall distribute funds collected to the City of Los Angeles. The City of Los Angeles will then disburse the funds to the District, pursuant to the authorization of this *East Hollywood Property and Business Improvement District Management District Plan*. Existing laws for enforcement and appeal of parcel taxes apply to the District assessments. If necessary, the City of Los Angeles City Clerk’s Office will directly bill property owners or entities that do not appear on the tax roll.

**Assessment Notice**

An assessment notice will be sent to owners of each individual assessable parcel within the District boundaries. The assessment notice provides the assessment amount, based upon the parcel square footage and the linear front footage along Vermont Avenue. A list of assessable parcels included in the District is provided in the Assessment Calculation Table included as Appendix 1 of this Management District Plan.

## **VI. DISTRICT GOVERNANCE**

The Owners' Association is charged with the day-to-day operations of the District. The Owners' Association shall be an independent, nonprofit corporation, contracted with the City of Los Angeles to provide the services set forth in this Management District Plan.

## APPENDIX 1 – ASSESSMENT CALCULATION TABLE

Map Key	APN	Zone	Parcel Size (sq ft)	Parcel Size Assessment	Vermont Frontage (ft)	Frontage Assessment	Total Assessment
1	5538022021	1	10,367.00	\$614.76	96.00	\$5.33	\$620.09
2	5538022900	1	10,498.00	\$622.53	100.00	\$5.55	\$628.08
3	5538022903	1	17,137.00	\$1,016.22	128.00	\$7.10	\$1,023.32
4	5538022904	1	13,225.00	\$784.24	58.00	\$3.22	\$787.46
5	5538022905	1	5,271.00	\$312.57	50.00	\$2.78	\$315.35
6	5538023903	3	706.00	\$11.30	42.00	\$0.63	\$11.93
7	5538023904	3	4,356.00	\$69.74	144.00	\$2.16	\$71.90
8	5538023905	3	1,110,780.00	\$17,784.70	1,048.00	\$15.70	\$17,800.40
9	5538026023	2	183,997.00	\$5,455.51	729.00	\$20.23	\$5,475.74
10	5538027008	1	13,591.00	\$805.95	100.00	\$5.55	\$811.50
11	5538027011	1	6,795.00	\$402.94	50.00	\$2.78	\$405.72
12	5538027012	1	13,591.00	\$805.95	100.00	\$5.55	\$811.50
13	5538027013	1	6,795.00	\$402.94	50.00	\$2.78	\$405.72
14	5538027014	1	7,492.00	\$444.28	55.00	\$3.05	\$447.33
15	5538027028	1	13,600.00	\$806.48	100.00	\$5.55	\$812.03
16	5538027035	1	18,286.00	\$1,084.36	131.00	\$7.27	\$1,091.63
17	5538028010	1	21,344.00	\$1,265.70	132.00	\$7.33	\$1,273.03
18	5539003023	1	31,268.00	\$1,854.19	173.00	\$9.60	\$1,863.79
19	5539003024	1	28,668.00	\$1,700.01	156.00	\$8.66	\$1,708.67
20	5539004009	1	19,079.00	\$1,131.38	155.00	\$8.60	\$1,139.98
21	5539004020	1	14,328.00	\$849.65	155.00	\$8.60	\$858.25
22	5539009011	1	10,125.00	\$600.41	154.00	\$8.55	\$608.96
23	5539009022	1	20,299.00	\$1,203.73	155.00	\$8.60	\$1,212.33
24	5539010018	1	6,403.00	\$379.70	50.00	\$2.78	\$382.48
25	5539010019	1	6,403.00	\$379.70	50.00	\$2.78	\$382.48
26	5539010020	1	6,447.00	\$382.31	50.00	\$2.78	\$385.09
27	5539010021	1	12,763.00	\$756.85	97.00	\$5.38	\$762.23
28	5539010022	1	8,189.00	\$485.61	61.00	\$3.39	\$489.00
29	5539015022	1	20,299.00	\$1,203.73	155.00	\$8.60	\$1,212.33
30	5539015024	1	20,112.00	\$1,192.64	151.00	\$8.38	\$1,201.02
31	5539016901	3	204,732.00	\$3,277.96	316.00	\$4.74	\$3,282.70
32	5539021008	1	11,631.00	\$689.72	155.00	\$8.60	\$698.32
33	5539021023	1	19,602.00	\$1,162.40	151.00	\$8.38	\$1,170.78
34	5539022012	1	12,981.00	\$769.77	100.00	\$5.55	\$775.32
35	5539022013	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
36	5539022014	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
37	5539022023	1	19,493.00	\$1,155.93	150.00	\$8.32	\$1,164.25
38	5539022024	1	6,495.00	\$385.15	50.00	\$2.78	\$387.93
39	5539022031	1	13,000.00	\$770.90	100.00	\$5.55	\$776.45
40	5539022033	1	11,613.00	\$688.65	96.00	\$5.33	\$693.98
41	5539033010	1	119,354.00	\$7,077.69	361.00	\$20.04	\$7,097.73
42	5540017002	1	8,015.00	\$475.29	50.00	\$2.78	\$478.07

Map Key	APN	Zone	Parcel Size (sq ft)	Parcel Size Assessment	Vermont Frontage (ft)	Frontage Assessment	Total Assessment
43	5540017004	1	12,589.00	\$746.53	70.00	\$3.88	\$750.41
44	5540017006	1	12,589.00	\$746.53	70.00	\$3.88	\$750.41
45	5540017007	1	8,407.00	\$498.54	70.00	\$3.88	\$502.42
46	5540017009	1	9,017.00	\$534.71	75.00	\$4.16	\$538.87
47	5540017010	1	13,469.00	\$798.71	101.00	\$5.61	\$804.32
48	5540017013	1	12,600.00	\$747.18	70.00	\$3.88	\$751.06
49	5540017804	1	33,236.00	\$1,970.89	190.00	\$10.54	\$1,981.43
50	5540019005	1	7,860.00	\$466.10	60.00	\$3.33	\$469.43
51	5540019012	1	15,375.00	\$911.74	75.00	\$4.16	\$915.90
52	5540019013	1	9,000.00	\$533.70	75.00	\$4.16	\$537.86
53	5540019016	1	7,884.00	\$467.52	75.00	\$4.16	\$471.68
54	5540019017	1	8,526.00	\$505.59	75.00	\$4.16	\$509.75
55	5540019019	1	14,300.00	\$847.99	116.00	\$6.44	\$854.43
56	5540020008	1	6,936.00	\$411.30	100.00	\$5.55	\$416.85
57	5540020010	1	5,489.00	\$325.50	50.00	\$2.78	\$328.28
58	5540020011	1	3,833.00	\$227.30	35.00	\$1.94	\$229.24
59	5540020012	1	15,377.00	\$911.86	75.00	\$4.16	\$916.02
60	5540020013	1	7,971.00	\$472.68	76.00	\$4.22	\$476.90
61	5540020014	1	11,718.00	\$694.88	50.00	\$2.78	\$697.66
62	5542014001	1	14,418.00	\$854.99	157.00	\$8.71	\$863.70
63	5542014019	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
64	5542014020	1	12,981.00	\$769.77	100.00	\$5.55	\$775.32
65	5542014021	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
66	5542014032	1	33,149.00	\$1,965.74	254.00	\$14.10	\$1,979.84
67	5542015001	1	14,288.00	\$847.28	110.00	\$6.10	\$853.38
68	5542015022	1	13,500.00	\$800.55	0.00	\$0.00	\$800.55
69	5542015030	1	43,560.00	\$2,583.11	0.00	\$0.00	\$2,583.11
70	5542015900	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17
71	5542015901	1	7,797.00	\$462.36	60.00	\$3.33	\$465.69
72	5542015902	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17
73	5542016030	2	321,473.00	\$9,531.67	352.00	\$9.77	\$9,541.44
74	5542016033	2	60,984.00	\$1,808.18	0.00	\$0.00	\$1,808.18
75	5542017029	2	131,987.00	\$3,913.41	0.00	\$0.00	\$3,913.41
76	5542017030	2	246,114.00	\$7,297.28	419.00	\$11.63	\$7,308.91
77	5542017900	2	666.00	\$19.75	23.00	\$0.64	\$20.39
78	5542018026	1	24,270.00	\$1,439.21	162.00	\$8.99	\$1,448.20
79	5542018035	1	14,880.00	\$882.38	152.00	\$8.44	\$890.82
80	5542019001	1	8,102.00	\$480.45	162.00	\$8.99	\$489.44
81	5542019031	1	8,015.00	\$475.29	80.00	\$4.44	\$479.73
82	5542019032	1	8,189.00	\$485.61	82.00	\$4.55	\$490.16
83	5542028005	1	7,971.00	\$472.68	57.00	\$3.16	\$475.84
84	5542028025	1	68,738.00	\$4,076.16	246.00	\$13.65	\$4,089.81
85	5542029001	1	8,102.00	\$480.45	58.00	\$3.22	\$483.67



Map Key	APN	Zone	Parcel Size (sq ft)	Parcel Size Assessment	Vermont Frontage (ft)	Frontage Assessment	Total Assessment
86	5542029002	1	7,013.00	\$415.87	50.00	\$2.78	\$418.65
87	5542029003	1	7,013.00	\$415.87	50.00	\$2.78	\$418.65
88	5542029038	1	10,019.00	\$594.13	71.00	\$3.94	\$598.07
89	5542029039	1	99,752.00	\$5,915.29	250.00	\$13.88	\$5,929.17
90	5543007025	2	24,437.00	\$724.56	0.00	\$0.00	\$724.56
91	5543008007	2	13,460.00	\$399.09	0.00	\$0.00	\$399.09
92	5543009021	2	37,462.00	\$1,110.75	0.00	\$0.00	\$1,110.75
93	5543009025	2	124,582.00	\$3,693.86	296.00	\$8.21	\$3,702.07
94	5543009900	2	81,022.00	\$2,402.30	0.00	\$0.00	\$2,402.30
95	5543009901	2	21,336.00	\$632.61	0.00	\$0.00	\$632.61
96	5543009902	2	17,860.00	\$529.55	0.00	\$0.00	\$529.55
97	5543010017	2	125,453.00	\$3,719.68	0.00	\$0.00	\$3,719.68
98	5543010900	2	1,228.00	\$36.41	0.00	\$0.00	\$36.41
99	5543011010	2	78,844.00	\$2,337.72	0.00	\$0.00	\$2,337.72
100	5543011901	2	503,554.00	\$14,930.38	0.00	\$0.00	\$14,930.38
101	5543012018	2	109,771.00	\$3,254.71	0.00	\$0.00	\$3,254.71
102	5543012022	2	52,359.00	\$1,552.44	269.00	\$7.46	\$1,559.90
103	5543012023	2	58,366.00	\$1,730.55	179.00	\$4.97	\$1,735.52
104	5543012024	2	32,230.00	\$955.62	101.00	\$2.80	\$958.42
105	5543012025	2	60,113.00	\$1,782.35	186.00	\$5.16	\$1,787.51
106	5543012900	2	9,148.00	\$271.24	0.00	\$0.00	\$271.24
107	5543013001	1	17,598.00	\$1,043.56	160.00	\$8.88	\$1,052.44
108	5543013002	1	24,785.00	\$1,469.75	0.00	\$0.00	\$1,469.75
109	5543013009	1	7,144.00	\$423.64	55.00	\$3.05	\$426.69
110	5543013012	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
111	5543013013	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
112	5543013014	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
113	5543013015	1	39,335.00	\$2,332.57	95.00	\$5.27	\$2,337.84
114	5543014011	1	4,661.00	\$276.40	49.00	\$2.72	\$279.12
115	5543014012	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
116	5543014013	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
117	5543014014	1	19,515.00	\$1,157.24	150.00	\$8.32	\$1,165.56
118	5543014015	1	12,981.00	\$769.77	100.00	\$5.55	\$775.32
119	5543015019	1	8,368.00	\$496.22	0.00	\$0.00	\$496.22
120	5543015020	1	6,403.00	\$379.70	0.00	\$0.00	\$379.70
121	5543015021	1	26,354.00	\$1,562.79	0.00	\$0.00	\$1,562.79
122	5543017018	1	238,709.00	\$14,155.44	0.00	\$0.00	\$14,155.44
123	5543018021	1	40,646.00	\$2,410.31	0.00	\$0.00	\$2,410.31
124	5543020023	1	26,223.00	\$1,555.02	0.00	\$0.00	\$1,555.02
125	5589030027	2	6,882.00	\$204.05	0.00	\$0.00	\$204.05
126	5589030030	2	28,485.00	\$844.58	0.00	\$0.00	\$844.58
127	5589030032	2	33,860.00	\$1,003.95	0.00	\$0.00	\$1,003.95
128	5589031016	2	25,700.00	\$762.00	0.00	\$0.00	\$762.00

Map Key	APN	Zone	Parcel Size (sq ft)	Parcel Size Assessment	Vermont Frontage (ft)	Frontage Assessment	Total Assessment
129	5589031025	2	11,935.00	\$353.87	0.00	\$0.00	\$353.87
130	5589031026	2	11,761.00	\$348.71	0.00	\$0.00	\$348.71
131	5589031036	2	19,602.00	\$581.20	0.00	\$0.00	\$581.20
132	5589038036	2	9,239.00	\$273.94	0.00	\$0.00	\$273.94
	<b>TOTAL</b>			<b>\$197,773.32</b>		<b>\$576.62</b>	<b>\$198,349.94</b>

# EAST HOLLYWOOD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT ENGINEER'S REPORT

*Prepared pursuant to the State of California Property and Business Improvement District Law of 1994,  
as amended, and Section 4, Article XIII D of the California Constitution, to create  
a Parcel and Business Improvement District within the City of Los Angeles*

**January 1, 2012 to December 31, 2021**

**Prepared by**



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**May 20, 2011**

**EAST HOLLYWOOD  
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT**

**ENGINEER'S REPORT**

**TABLE OF CONTENTS**

<b>I.</b>	<b>DISTRICT DESCRIPTION .....</b>	<b>1</b>
<b>II.</b>	<b>DISTRICT BOUNDARIES .....</b>	<b>3</b>
<b>III.</b>	<b>DISTRICT ASSESSMENT FORMULA.....</b>	<b>8</b>
<b>IV.</b>	<b>MANAGEMENT DISTRICT PLAN COST ESTIMATE.....</b>	<b>14</b>
	TABLE 1 - MANAGEMENT DISTRICT PLAN COST ESTIMATE.....	18
	TABLE 2 - DISTRICT ESTIMATED ANNUAL ASSESSMENT TOTALS PER YEAR .....	19
<b>V.</b>	<b>CERTIFICATION .....</b>	<b>20</b>
	<b>APPENDIX 1: ASSESSMENT CALCULATION TABLE .....</b>	<b>21</b>

## I. DISTRICT DESCRIPTION

Developed by a growing coalition of parcel owners, the East Hollywood Property and Business Improvement District ("District"), is a special assessment district that has funded improvements to the commercial area of East Hollywood, primarily along the major corridors of Vermont Avenue, Sunset Boulevard, Hollywood Boulevard and Edgemont Street. The District has reached the end of its first term; owners within the District desire to renew it. The renewed District will continue various programs and services to increase commercial activity in the East Hollywood District. This approach has been used successfully in East Hollywood and other improvement districts throughout the country to increase sales, attract new tenants, increase occupancies, and increase property values.

**Location:** The District generally runs along Vermont Avenue from Highway 101 north to Hollywood Boulevard in East Hollywood; along Hollywood Boulevard from Vermont Avenue west to Edgemont Street; and along Sunset Boulevard from Edgemont Street east to Lyman Place. The District will be divided into three benefit zones based upon these services provided in each zone. A complete detailed boundary and benefit zone description can be found in Section II, District Boundaries, of this Engineer's Report with a boundary map following.

**Services:** To increase commercial activities, attract new businesses, and increase patronage to individual assessable parcels located within the boundaries of the District, the renewed District will continue to provide the following services with increased frequency: streetscape improvements and landscaping programs to improve the image of the District; clean-up services to increase the frequency of litter and debris removal; median landscape maintenance, tree watering and maintenance, and trash receptacle cleaning; machine washing of sidewalks; graffiti removal; a marketing and promotions program targeting the positive image enhancement of the area; and representation of parcel owners interests and acquisition of funds and grants to improve the East Hollywood District. A detailed description of the services provided by the District can be found in Section IV, Management District Plan Cost Estimate, of this Engineer's Report.

**Budget:** The total maximum District budget in the first year of operation is \$198,349.94 with a maximum increase of 3% per year for the District's ten (10) years of operation.

**Source of Financing:** The District's source of financing will be special assessments levied on benefiting parcels located within the boundaries of the District. Parcels RD1.5 or RD3, including residential and agricultural uses, are exempt from assessment. The District will be divided into three benefit zones with assessment rates based upon the services provided to each zone. The assessment rates for each zone are:

Zone	Lot Rate (\$/Parcel Sqft/Yr)	Frontage Rate (\$/Front Ft/Yr)
1	\$0.059300	\$0.055500
2	\$0.029650	\$0.027750
3	\$0.016011	\$0.014985

For a detailed discussion on rates and benefits supporting these rates see Section III, District Assessment Formula, of this Engineer's Report.

- Renewal:** District renewal requires submittal of petitions from parcel owners representing more than 50% of the total annual assessment. The "Right to Vote on Taxes Act" (also known as Proposition 218) requires a ballot vote wherein a majority of the ballots returned favor forming the District.
- Duration:** The renewed District will have a ten-year life. The timeline for implementation and completion of the District's Management District Plan will be January 1, 2012 to December 31, 2021. After ten (10) years, if the District were to continue, a new Management District Plan and Engineer's Report must be prepared and the petition, ballot, and hearing processes must be repeated.



## II. DISTRICT BOUNDARIES

The District will deliver services along the East Hollywood commercial corridor. The District includes commercial parcels along Vermont Avenue from Highway 101 north to Hollywood Boulevard; along Hollywood Boulevard from Vermont Avenue west to Edgemont Street; and along Sunset Boulevard from Edgemont Street east to Lyman Place. The District is generally comprised of commercially-zoned parcels with street frontage along Vermont Avenue, Sunset Boulevard, and Hollywood Boulevard, and includes some public-use parcels.

The boundaries of the District are more particularly described as follows:

### District Boundary

Beginning at the southeast corner of the intersection of Hollywood Boulevard and Vermont Avenue, southeast along the south side of Hollywood Boulevard to the northeast corner of Assessor Parcel Number (APN) 5542-014-001 (Map Key 62). South along the eastern boundary of parcels fronting the east side of Vermont Avenue to the northwest corner of APN 5542-015-030 (Map Key 68). East along the northern boundary of parcels fronting the north side of Sunset Boulevard to Rodney Drive. South along the west side of Rodney Drive, across Sunset Boulevard. East along the south side of Sunset Boulevard to Lyman Place. South along the west side of Lyman Place to Fountain Avenue. West along the north side of Fountain Avenue to a point opposite the northeast corner of APN 5542-018-035 (Map Key 79). South across Fountain Avenue and continuing south along the eastern boundary of parcels fronting the east side of Vermont Avenue across La Mirada Avenue, Lexington Avenue, Vermont Place, Santa Monica Boulevard, Willow Brook Avenue, Lockwood Avenue, Burns Avenue, Normal Avenue, Monroe Street, Marathon Street, Melrose Avenue, and Clinton Street to the north side of US Highway 101.

Northwest along the north side of US Highway 101 across Vermont Avenue to the southwest corner of APN 5538-028-010 (Map Key 17).

North along the western boundary of parcels fronting the west side of Vermont Avenue, across Clinton Street, Melrose Avenue, Monroe Street, Willow Brook Avenue, Santa Monica Boulevard, Lexington Avenue, and Fountain Avenue, to the southeast line of APN 5543-013-002 (Map Key 108). West along the southern boundary of parcels fronting the south side of Sunset Boulevard across New Hampshire Avenue, L Ron Hubbard Way, Catalina Street, and Edgemont Street to the southwest corner of APN 5543-020-023 (Map Key 124). North along the western boundary of APN 5543-020-023 (Map Key 124) across Sunset Boulevard and continuing north along the western boundary and east along the northern boundary of APN 5543-007-025 (Map Key 90) to Edgemont Street. Northeast across Edgemont Street to the northwest corner of APN 5543-010-017 (Map Key 97), and continuing east along the northern boundary of said parcel. North along the western boundary of APN 5543-010-900 (Map Key 98), APN 5543-011-901 (Map Key 100), and APN 5543-009-902 (Map Key 96), then west along the southern boundary of APN 5543-009-021 (Map Key 92), across Edgemont Street, and continuing west along the southern boundary and north along the western boundary of APN 5543-008-007 (Map Key 91) across Hollywood Boulevard to the northwest corner of APN 5589-038-036 (Map Key 132).

East along the northern boundary of parcels fronting the north side of Hollywood Boulevard, across Edgemont Street and Berendo Street to New Hampshire Avenue. South along the west side of New Hampshire Avenue, across Hollywood Boulevard. Southeast along the south side of Hollywood Boulevard to the point of beginning.

Assessor's Parcel Number 5589-028-900, at the northwest corner of the intersection of Hollywood Boulevard and Vermont Avenue will not receive services and will not be included in the District.

## **Benefit Zones**

### **Zone 1**

Zone 1 includes parcels fronting the east side of Vermont Avenue between the south side of Hollywood Boulevard and the north side of Sunset Drive; parcels fronting the north side of Sunset Boulevard between the east side of Vermont Avenue and the west side of Rodney Drive; parcels fronting the south side of Sunset Boulevard between the west side of Edgemont Street and the west side of Vermont Avenue; parcels fronting the west side of Vermont Avenue between the south side of Sunset Boulevard and the north side of Willow Brook Avenue; parcels fronting the east side of Vermont Avenue between the south side of Fountain Avenue and the north side of Monroe Street; the parcels fronting the east side of Vermont Avenue between the south side of Marathon Street and the north side of US Highway 101; and the parcels fronting the west side of Vermont Avenue between the south side of Melrose Avenue and US Highway 101.

### **Zone 2**

Zone 2 includes all parcels within the District boundaries northeast of the intersection of Sunset Boulevard and Vermont Avenue; the block bounded by Vermont Avenue in the west, Sunset Boulevard in the north, Lyman Place in the east, and Fountain Avenue in the south; and the block bounded by New Hampshire Avenue in the west, Monroe Street in the north, Vermont Avenue in the east, and Melrose Avenue in the south.

### **Zone 3**

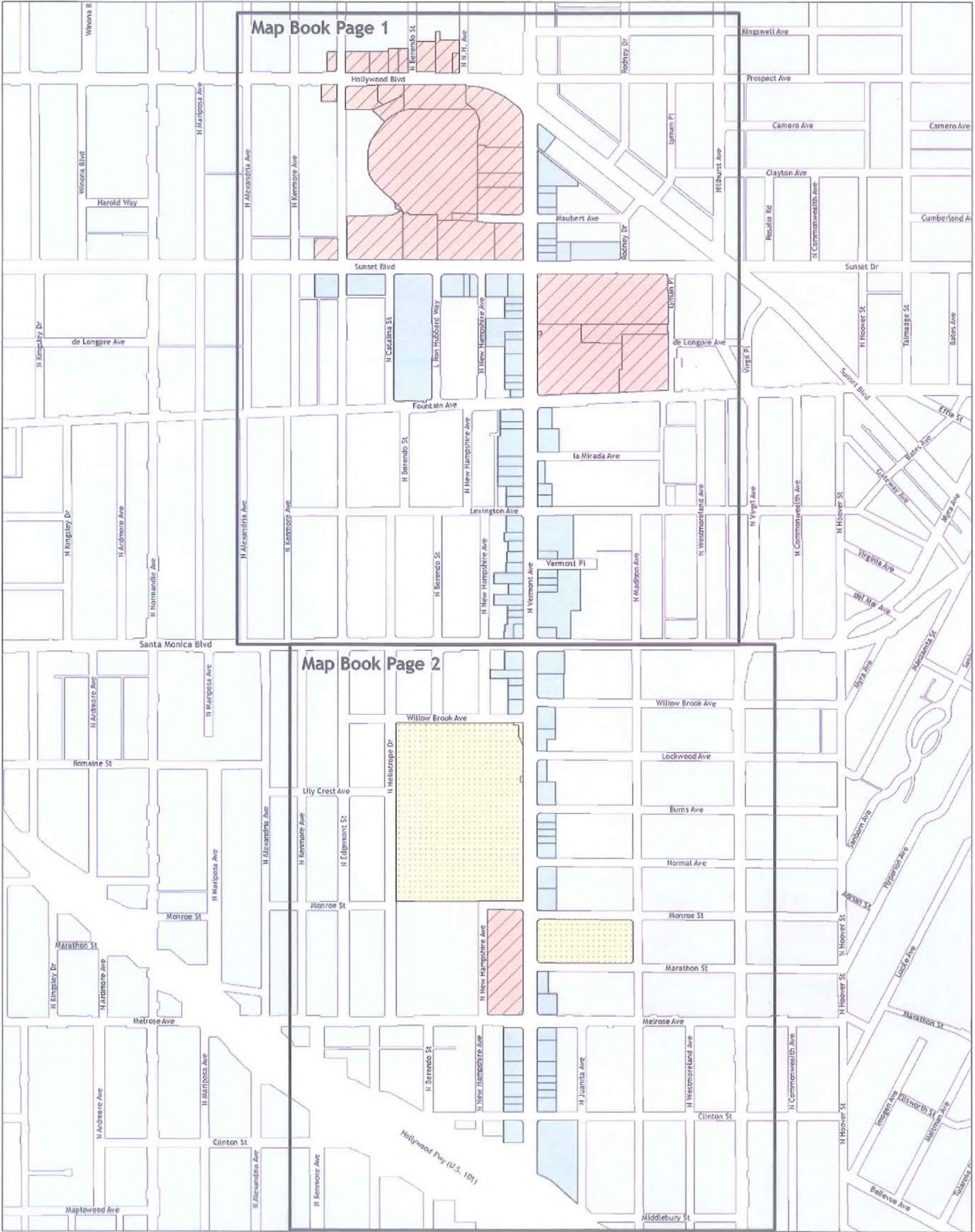
Zone 3 includes parcels fronting the west side of Vermont Avenue between the south side of Willow Brook Avenue and the north side of Monroe Street; and the parcel fronting the east side of Vermont Avenue between the south side of Monroe Street and the north side of Marathon Street.

District boundaries and benefit zones were developed based on the special benefits to be received by parcels along the major commercial corridors of Vermont Avenue, Hollywood Boulevard, Sunset Boulevard, and Edgemont Street. Parcels were reviewed to determine the parcel's zoning, if the parcel was included in an existing District, and if the parcel would receive special benefits from the District services. The District includes 132 parcels. For further information, a District Boundary Map showing benefit zones is included on the following three pages.

# East Hollywood Property & Business Improvement District District Overview



- Zone 1
- Zone 2
- Zone 3



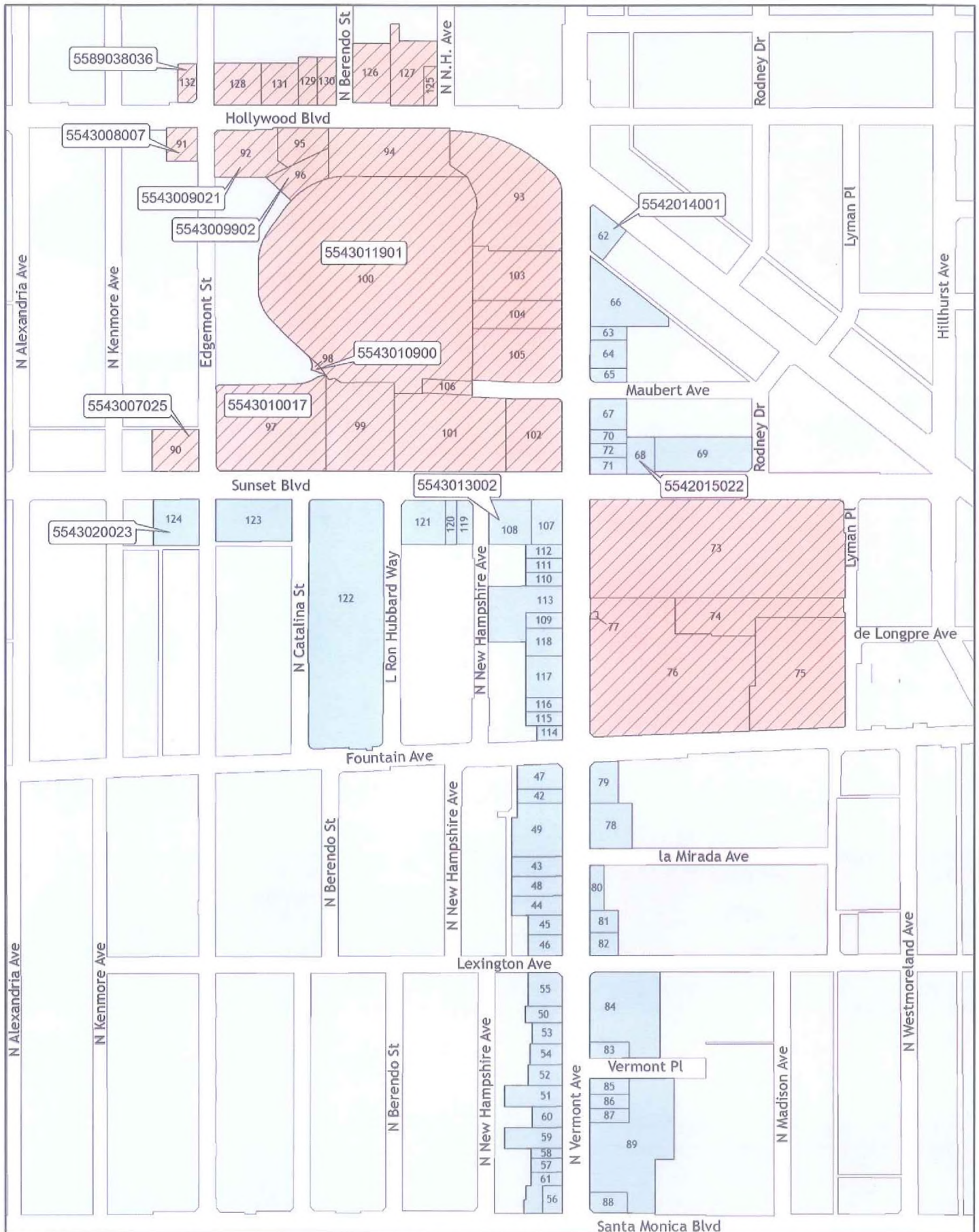


# East Hollywood Property & Business Improvement District

Map Book Page 1 of 2






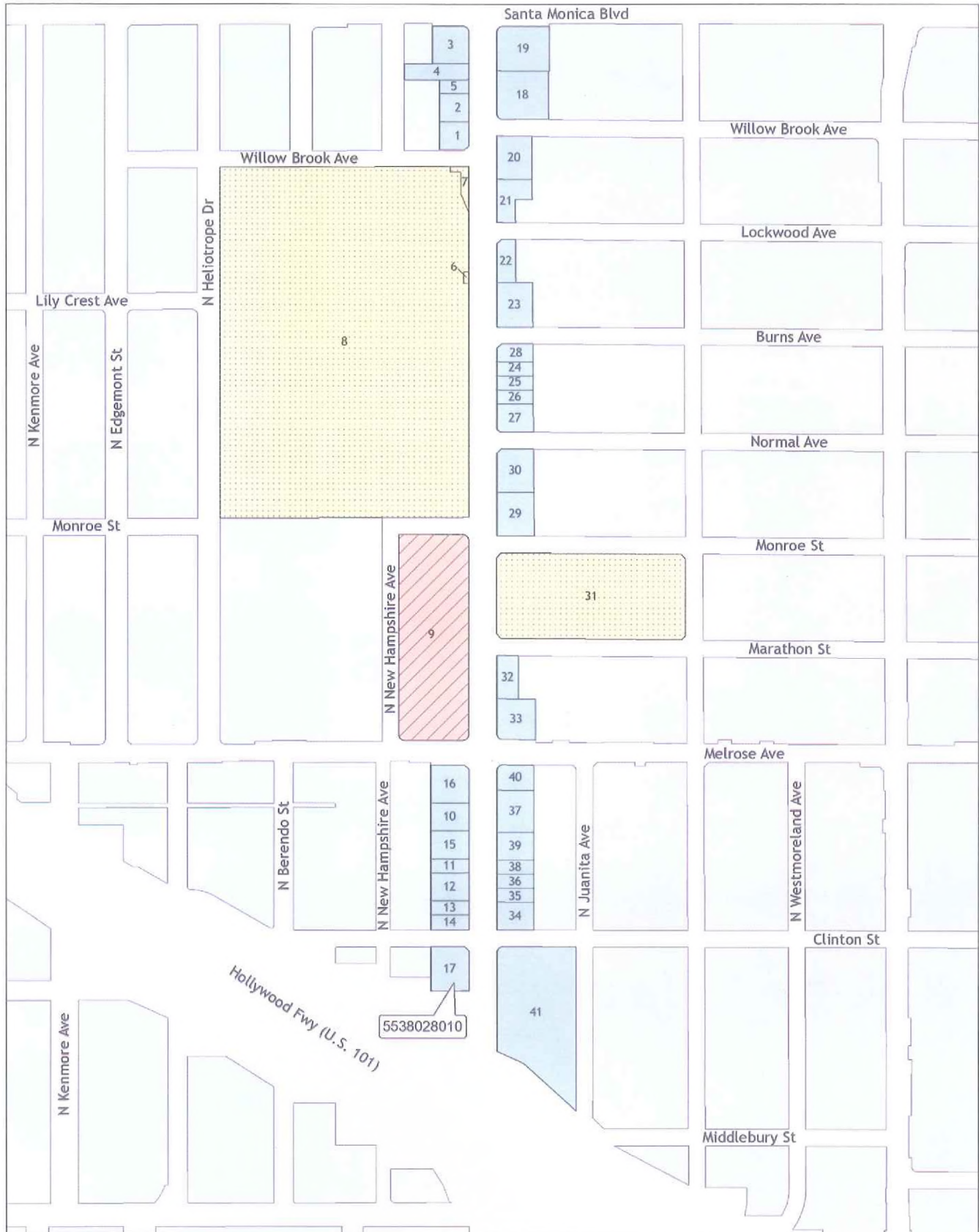
- Zone 1
- Zone 2
- Zone 3



# East Hollywood Property & Business Improvement District

Map Book Page 2 of 2

-  Zone 1
-  Zone 2
-  Zone 3





### III. DISTRICT ASSESSMENT FORMULA

#### Assessment Formula

Parcel owners, merchants and other East Hollywood stakeholders have emphasized that an assessment formula for the district be fair, balanced, and commensurate with benefits received.

Individual assessable parcels shall be assessed a parcel square footage rate and a parcel frontage rate according to each parcel's proportionate special benefit derived from the services provided to that parcel's benefit zone. The variables used for the base formula are parcel linear front footage and parcel square footage. A detailed description of the services provided by the District within each benefit zone is included in Section IV, Management District Plan Cost Estimate, of this Engineer's Report.

Parcels zoned RD1.5 or RD3, including residential and agricultural uses, will not be assessed. The assessment rates are shown below:

<b>East Hollywood PBID Annual Assessment Rates</b>		
<b>Parcel Use and Benefit Zone</b>	<b>Lot Rate (\$/Parcel Sqft/Yr)</b>	<b>Frontage Rate (\$/Front Ft/Yr)</b>
Commercially zoned parcels in Zone 1	\$0.059300	\$0.055500
Commercially zoned parcels in Zone 2	\$0.029650	\$0.027750
Commercially zoned parcels in Zone 3	\$0.016011	\$0.014985
Parcels zoned RD1.5 or RD3 in Zones 1-3	Not Assessed	

The assessment rate differentials between Zone 1, 2, and 3 parcels are addressed in detail below. It should be noted that it is appropriate to assess parcels based on street frontage because some of the services to be provided (such as sidewalk cleaning) directly improve parcel frontages. It is appropriate to also consider parcel square footage in determining these assessments because the larger the parcel the greater benefits derived from the district's services.

For the purpose of calculating the proportional special benefit assessment for individual assessable parcels within the district, a budget has been established for each zone which includes and reflects the proportional cost of providing the improvements and level of service proposed for each of these zones. The assessment rate was calculated by first identifying the specific characteristics of each individual assessable parcel in the district and using those characteristics to calculate each parcels' proportional special benefit. Then, the various services to be provided throughout the district were allocated to individual assessable parcels in the various zones based on the level of service and proportional special benefit to individual assessable parcels. Based on the parcel characteristics and budgets for each zone, the assessment rates in the table above were calculated.

### Zone 1 versus Zone 2 versus Zone 3 Parcels

In order to most closely tie the assessment paid by each parcel to the special benefits that each parcel receives, the assessment formula employs three separate zones assessed at different rates.

Assessment levied in Zone 1 make up approximately 52.76% of the District's revenue; assessments in Zone 2 make up approximately 36.57% of the District's revenue; and assessments in Zone 3 make up approximately 10.67% of the District's revenue. The assessment levied in each zone is proportional to the special benefit conferred on individual assessable parcels. As noted above, Zone 1 is assessed at a higher rate than Zone 2, and Zone 2 is assessed at a higher rate than Zone 3. As explained in the following discussion, these rate differentials relate directly to the level of services and special benefits received by the District's individual assessable parcels.

The \$0.059300 assessed per parcel square foot in Zone 1 produces 52.52% of the district's revenue. Adding to this figure, the revenue generated from assessing the linear front footage of Zone 1 parcels accounts for .24% of the district's revenue. Parcels in Zone 1 are assessed at a higher rate than those in Zones 2 and 3 because they receive the majority of the services rendered and the benefits received under the Management District Plan. Zone 1 parcels receive the majority of services because they are generally commercial use parcels, with high pedestrian traffic and a need for greater services.

The \$0.029650 assessed per parcel square foot in Zone 2 produces 36.57% of the district's revenue. Adding to this figure, the revenue generated from assessing the linear front footage of Zone 2 parcels accounts for .04% of the district's revenue. Parcels in Zone 2 are assessed at a lower rate than those in Zone 1 because they receive fewer services and benefits under the Management District Plan, and they are assessed at a higher rate than those in Zone 3 because they receive more services and benefits under the Management District Plan. Zone 2 parcels have a lower need for services than Zone 1 parcels because they are generally not commercial properties which would benefit from marketing, and they have less pedestrian traffic than Zone 1 parcels.

The \$0.014985 assessed per parcel square foot in Zone 3 produces 10.66% of the district's revenue. Adding to this figure, the revenue generated from assessing the linear front footage of Zone 3 parcels accounts for .01% of the district's revenue. Parcels in Zone 3 are assessed at a lower rate than those in Zones 1 and 2 because they receive fewer services and benefits under the Management District Plan. Zone 3 parcels receive limited services because they are not commercial parcels, would not benefit from marketing services, have limited pedestrian traffic, and have fewer trash receptacles and landscape features that require services.

Zone 3 will receive the following services: limited tree planting, painting streetlight poles, median landscape maintenance, limited trash receptacle cleaning, and sidewalk cleaning at least once per year. Zone 2 will receive all of the benefits of Zone 3, plus additional tree planting and trash receptacle cleaning, tree watering, trimming and maintenance at least once per year, sidewalk cleaning at least twice per year, and advocacy. Zone 1 will receive all of the benefits of Zones 2 and 3, plus landscape maintenance, weed removal, landscape installation, clean-up personnel, median landscape maintenance, additional tree watering, trimming, and maintenance, additional sidewalk cleaning, and marketing and promotion. The three zones will share administration expenses proportionally with the services provided in each zone.

**Assessment Calculation**

The following steps were taken to identify and calculate the assessment rate and individual parcel assessments.

**Step One: Zone Budget**

To provide services to individual assessable parcels in Zone 1, an annual budget of \$104,650.22 is needed.

To provide services to individual assessable parcels in Zone 2, an annual budget of \$72,532.79 is needed.

To provide services to individual assessable parcels in Zone 3, an annual budget of \$21,166.93 is needed.

**Step Two: Property Characteristics**

The next step was to identify characteristics of properties in each zone. The lot square footage and frontage of individual assessable parcels were examined to identify the following assessable characteristics in each zone:

<b>Zone</b>	<b>Total Lot Square Feet</b>	<b>Total Vermont Frontage</b>
1	1,756,620	8,693
2	2,443,910	2,554
3	1,320,574	1,550

**Step Three: Assessment Distribution**

The final step was to distribute the budget necessary between the characteristics of individual assessable parcels. Because most of the services provided benefit the parcel as a whole, the majority of the assessment on parcels is based on lot square footage. It is also appropriate to assess parcels based on their front footage along Vermont Avenue, as a small portion of the district's services are aimed at improving conditions on Vermont Avenue. Parcel square foot and Vermont Frontage rates were applied to yield the necessary budgets in each Zone.

<b>Zone</b>	<b>Total Lot Square Feet Assessment</b>	<b>Total Vermont Frontage Assessment</b>	<b>Total Assessment</b>
1	104,167.70	482.52	104650.22
2	72461.92	70.87	72532.79
3	21143.70	23.23	21166.93

**Step Four – Assessment Rate**

To determine the assessment rate, the total budget was divided by the parcel characteristics.

<b>Zone</b>	<b>Budget</b>		<b>Square Feet</b>		<b>Rate</b>
1	\$104,167.70	÷	1,756,620	=	\$0.059300

2	72,461.92	÷	2,443,910	=	\$0.029650
3	21,143.70	÷	1,320,574	=	\$0.016011

Zone	Budget		Frontage		Rate
1	\$482.52	÷	8,693	=	\$0.055500
2	\$70.87	÷	2,554	=	\$0.027750
3	\$23.23	÷	1,550	=	\$0.014985

**Sample Assessment Calculation**

For example, a parcel in Zone 1 with 1000 lot square feet and 20 feet of frontage on Vermont Street would be assessed as follows:

Characteristic	Amount on Parcel		Assessment Rate By Characteristic	Assessment
Lot Square Feet	1000	X	\$0.059300	\$59.30
Vermont Frontage	20	X	\$0.055500	\$1.11
<b>Total</b>				<b>\$60.41</b>

The total assessment breaks down as follows:

Service Category	%	Total Cost	Zone 1	Zone 2	Zone 3
Streetscape/ Landscape	37%	\$73,389.48	\$32,512.50	\$29,728.65	\$11,148.33
Maintenance	31%	\$61,488.48	\$28,342.85	\$27,571.46	\$5,574.17
Marketing	11%	\$21,818.49	\$21,818.49	\$0.00	\$0.00
Administration	18%	\$35,702.99	\$18,836.90	\$13,056.58	\$3,809.51
Contingency	3%	\$5,950.50	\$3,139.48	\$2,176.10	\$634.92
<b>Totals</b>	<b>100%</b>	<b>\$198,349.94</b>	<b>\$32,512.50</b>	<b>\$29,728.65</b>	<b>\$11,148.33</b>

**Changes to Zoning**

If the zoning of a parcel changes during the term of this District, the assessment calculation may be modified accordingly.

**Assessments on Public Parcels**

Proposition 218, also known as “The Right to Vote on Taxes Act”, states that “parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit.” All parcels in the District are assessed on their parcel square footage and Vermont Street front footage and receive District services and special benefits from those services. All publicly-owned individual assessable parcels will receive all of the

services provided in the parcel's respective zone; therefore, those parcels will be assessed as the full rate for their respective zones.

**L.A. COUNTY METROPOLITAN TRANSIT AUTHORITY**

APN	Zone	Parcel Size	Parcel Assessment	Vermont Frontage	Frontage Assessment	Total Assessment	Percent
5538022903	1	17,137.00	\$1,016.22	128.00	\$7.10	\$1,023.32	0.516%
5538022900	1	10,498.00	\$622.53	100.00	\$5.55	\$628.08	0.317%
5538022904	1	13,225.00	\$784.24	58.00	\$3.22	\$787.46	0.397%
5538022905	1	5,271.00	\$312.57	50.00	\$2.78	\$315.35	0.159%
5542015900	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17	0.196%
5542015901	1	7,797.00	\$462.36	60.00	\$3.33	\$465.69	0.235%
5542015902	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17	0.196%
5538023904	3	4,356.00	\$69.74	144.00	\$2.16	\$71.90	0.036%
5538023903	3	706.00	\$11.30	42.00	\$0.63	\$11.93	0.006%
5542017900	2	666.00	\$19.75	23.00	\$0.64	\$20.39	0.010%
<b>TOTAL</b>		<b>72,654</b>	<b>\$4,069.49</b>	<b>705</b>	<b>\$30.97</b>	<b>\$4,100.46</b>	<b>2.07%</b>

**LA City**

APN	Zone	Parcel Size	Parcel Assessment	Vermont Frontage	Frontage Assessment	Total Assessment	Percent
5543009900	2	81,022.00	\$2,402.30	0.00	\$0.00	\$2,402.30	1.211%
5543012900	2	9,148.00	\$271.24	0.00	\$0.00	\$271.24	0.137%
5543011901	2	503,554.00	\$14,930.38	0.00	\$0.00	\$14,930.38	7.527%
5543010900	2	1,228.00	\$36.41	0.00	\$0.00	\$36.41	0.018%
5543009902	2	17,860.00	\$529.55	0.00	\$0.00	\$529.55	0.267%
5543009901	2	21,336.00	\$632.61	0.00	\$0.00	\$632.61	0.319%
<b>TOTAL</b>		<b>634,148</b>	<b>\$18,802.49</b>	<b>0.0</b>	<b>\$0.00</b>	<b>\$18,802.49</b>	<b>9.48%</b>

**L.A. City Community College District**

APN	Zone	Parcel Size	Parcel Assessment	Vermont Frontage	Frontage Assessment	Total Assessment	Percent
5538023905	3	1,110,780.00	\$17,784.70	1,048.00	\$15.70	\$17,800.40	8.974%
5539016901	3	204,732.00	\$3,277.96	316.00	\$4.74	\$3,282.70	1.655%
<b>TOTAL</b>		<b>1,315,512</b>	<b>\$21,062.66</b>	<b>1,364</b>	<b>\$20.44</b>	<b>\$21,083.10</b>	<b>10.63%</b>

**Residential and Agricultural Parcels**

California Streets and Highways Code Section 36632(c) states, "Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessment pursuant to this part." Therefore, parcels that are zoned RD1.5 or RD3, including residential and agricultural uses, within the District boundaries will not be assessed.

**Determination of Special versus General Benefits**

California Constitution Section 4, Article XIII D (Proposition 218) states, "while assessment district

programs may confer a combination of general and special benefits to properties, only the special parcel-related benefits can be funded through assessments.”

The law provides that the expenses of the District shall be apportioned in proportion to the special benefit received by each parcel. In addition, Proposition 218 requires that parcel assessments may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable.

A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the District. Conversely, a general benefit is a benefit to parcels in the area and in the surrounding community or a benefit to the public in general, resulting from the improvement, activity, or service to be provided by the assessment levied. Many general benefits to the public at large are conveyed by municipal services such as fire protection, police services, and public transit services. These services are targeted to serve the public at large and do not confer special benefits on particular parcels. The general benefits that may be received include the perception of a more aesthetically pleasing District. These benefits cannot be measured. All general benefits, if any, are intangible and not quantifiable.

The programs and services in the East Hollywood Property and Business Improvement District’s Management District Plan are designed to provide targeted services by zone within the District. These programs and services are tailored not to serve the general public, but rather the specific parcels of the District. For example, the landscape maintenance program is focused on the assessed parcels within Zone 1 of the District. This trash receptacle cleaning program includes increased trash removal, graffiti cleanup, and cleaning, targeted for the parcels with all three zones. The District will also aesthetically improve the District with additional landscaping and streetscape projects. These programs and services will directly benefit parcels within Zones 1, 2, and 3 adjacent to the areas being maintained. The streetscape and landscape, and administration and advocacy programs will improve economic development within the District, thereby benefiting the commercial and public parcels within the District.

The programs and services paid for by assessment revenue are parcel services conferring special benefit on parcels within the District. In addition, these services are not for the benefit of the general public and do not provide general benefit as defined above. The programs and services provide special benefits, and all benefits derived from assessments outlined in the Management District Plan are only for programs and services directly benefiting the parcels in the District. The services are designed to increase foot traffic, improve the commercial core, increase marketing of commercial entities in the District, and improve the aesthetic appearance of the District, and to provide these services only to assessed parcels within the District boundaries. It is therefore appropriate that these special parcel-related benefits be funded by special assessments. Due to the fact that the District assessments will only be levied on individual assessable parcels within its District boundaries and, in turn, assessment revenues will only be spent on programs, improvements and services that provide direct or special benefit to parcels within the District boundaries, it is hereby determined that any general benefits are not quantifiable, measurable or tangible in the District and to the surrounding community or the public in general. The programs and services listed in the Management District Plan will contribute to a special benefit of each of the assessable parcels within the District.



#### IV. MANAGEMENT DISTRICT PLAN COST ESTIMATE

The following services are included in the East Hollywood Property and Business Improvement Management District Plan:

1. Streetscape and Landscape Projects

By continuing streetscape and landscape projects, the District will continue building long-lasting aesthetic enhancements. Over time, this will continue to improve the area. Some of these improvements will be tree planting, and weed removal throughout the District, maintaining aesthetic quality, painting streetlight poles, and landscaping. Streetscape and landscape projects and services will only be provided within the District boundaries.

2. Maintenance

The District's tree trimming, sidewalk cleaning, median landscape maintenance, trash receptacle cleaning, and litter removal services are above and beyond the baseline of services currently delivered by the City of Los Angeles. Maintenance services will only be provided within the District boundaries.

*Clean-Up Personnel:* Full-time personnel will collect and remove litter and remove refuse and debris from sidewalks on a regular basis. This will include gutter and storm drain cleaning, and removal of illegally dumped litter.

*Median Landscape Maintenance:* Median improvements are currently under construction. Median service will include weed removal and trimming to provide a welcoming, attractive business environment.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a regular basis from receptacles located within the boundaries of the District.

*Tree Watering and Trimming:* Trees will be watered and trimmed within the boundaries of the District to ensure that businesses are visible and the business environment is free from trash and debris caused by falling limbs and leaves.

*Sidewalk Cleaning:* Sidewalks will be pressure washed on a schedule set by the Owners' Association. There will also be ongoing spot removal, including graffiti and sticker removal, within the boundaries of the District as needed.

3. Administration and Advocacy

The District's administrative staff will represent the area in support of policies, initiatives and legislative actions that enhance the District's ability to develop as a vibrant commercial area. The District will represent businesses in matters relating to alternative resources, effective land use, planning decisions, and economic development initiatives. Administration services will only be provided to individual assessable parcels within the District boundaries.

4. Marketing and Promotion

The District will have a unified marketing and promotion program that will collaborate with District businesses. It is the intent of this program to allow the public to view the area as a single destination with a rich collection of attractions, events and services. These programs will include marketing, promotions and business advocacy. Goals of this program include increased customer traffic and sales. The Owners' Association will work in conjunction with the local Chamber of Commerce to promote the District, which may include the use of pole banners, logos, promotional materials including visitors' guides, and press releases. Marketing and promotion services will only be provided to individual assessable parcels within the District boundaries. According to the District's benefit zones, these marketing services will be provided to the assessable parcels within the boundaries of the District.

Services provided by the District will be based on benefit zone. Parcels in Zone 1 will receive the most services because they have the highest amount of pedestrian traffic and need for services. Parcels in Zone 2 will receive fewer services than Zone 1 as they have less pedestrian traffic and need for services, and parcels in Zone 3 will receive fewer services than both Zones 1 and 2 as they have the least amount of pedestrian traffic and need for services. Services provided in Zones 2 and 3 which are also provided in Zone 1, and services provided in Zone 3 which are also provided in Zone 2, will be provided at lesser frequencies than those in the respective higher zones.

### **Zone 1**

Parcels in Zone 1 will receive the following services. Services provided in Zone 1 will be provided to individual assessable parcels one deep (fronting) Vermont Avenue and Sunset Boulevard, respectively.

#### **1. Streetscape and Landscape Projects**

Parcels in Zone 1 will receive tree planting, landscape maintenance, weed removal throughout the Zone, aesthetic quality improvements, painting streetlight poles, and landscaping. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

#### **2. Maintenance**

*Clean-Up Personnel:* Full-time personnel will collect and remove litter and remove refuse and debris from Zone 1 sidewalks on a regular basis. This will include gutter and storm drain cleaning, and removal of illegally dumped litter. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Median Landscape Services:* Median landscaping will be maintained to provide a welcoming, attractive business environment. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a regular basis.. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Tree Watering and Trimming:* Newly planted trees will be watered and trimmed to ensure that businesses are visible All trees within the Zone 1 boundaries will be tended to as needed. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

*Sidewalk Cleaning:* Sidewalks in Zone 1 will be pressure washed at least three times per year. There will also be ongoing spot removal, including graffiti and sticker removal, within the Zone 1 boundaries as needed. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

3. Administration and Advocacy

The District's administrative staff will represent the zone in support of policies, initiatives and legislative actions that enhance Zone 1's ability to develop as a vibrant, contributing member of the Los Angeles region as a whole. The District will advocate for additional alternative resources, effective land use, planning decisions, and economic development initiatives. These services will only be provided to individual assessable parcels within the district and zone 1 boundaries.

4. Marketing and Promotion

The District will have a unified marketing and promotion program that will collaborate with Zone 1 businesses. It is the intent of this program to allow the public to view the zone as a single destination with a rich collection of attractions, events and services. These programs will include marketing, promotions and business advocacy. Goals of this program include increased customer traffic, sales and property values. The Owners' Association will work in conjunction with the local Chamber of Commerce to promote Zone 1 parcels which may include the use of pole banners, logos, promotional materials including visitors' guides, and press releases. These services will only be provided to individual assessable parcels within the district and Zone 1 boundaries.

**Zone 2**

Zone 2 will receive the following services. Services provided in Zone 2 will be provided to individual assessable parcels one deep (fronting) Hollywood Boulevard, Edgemont Street, Sunset Boulevard, Vermont Avenue and Lyman Place; those individual assessable parcels which are included in the two blocks encompassed by Hollywood Boulevard, Vermont Avenue, Sunset Boulevard and Edgemont Street; and the block encompassed by N. New Hampshire Avenue, Monroe Street, W. Vermont Street and Melrose Avenue.

1. Streetscape and Landscape Projects

The district will provide Zone 2 parcels with limited landscape and streetscape projects, namely tree planting and painting streetlight poles. These services will only be provided to individual assessable parcels within the district and Zone 2 boundaries.

2. Maintenance

*Median Landscape Services:* Medians will be maintained to provide a welcoming, attractive business environment. These services will only be provided to individual assessable parcels within the district and Zone 2 boundaries.

*Tree Watering and Trimming:* Newly planted trees will be watered and trimmed to ensure that businesses are visible. All trees within the Zone 2 boundaries will be tended to once per year. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a limited. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

*Sidewalk Cleaning:* Sidewalks in Zone 2 will be pressure washed at least two times per year. There will also be ongoing spot removal, including graffiti and sticker removal, within the Zone 2 boundaries as needed. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

3. Administration and Advocacy

The District's administrative staff will advocate in support of policies, initiatives and legislative actions that enhance Zone 2's ability to develop as a vibrant, contributing member of the Los Angeles region as a whole. The District will advocate for additional alternative resources, effective land use, planning decisions, and economic development initiatives. These services will only be provided to individual assessable parcels within the district and zone 2 boundaries.

**Zone 3**

Parcels in Zone 3 will receive the following services. Services provided in Zone 3 will be provided to individual assessable parcels one deep (fronting) Vermont Avenue.

1. Streetscape and Landscape Projects

Parcels in Zone 3 will receive painted streetlight poles. Zone 3 parcels will also receive tree planting; however, there is very little space in Zone 3 for tree planting so this service will be limited. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

2. Maintenance

*Median Landscape Services:* Medians will be maintained to provide a welcoming, attractive business environment. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

*Trash Receptacle Cleaning:* Trash liners will be replaced on a very limited basis from receptacles. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

*Sidewalk Cleaning:* Sidewalks will be pressure washed at least once per year. There will also be graffiti and sticker removal within the Zone 3 boundaries as needed. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

3. Administration

The District's administrative staff will coordinate the services provided to parcels in Zone 3. These services will only be provided to individual assessable parcels within the district and Zone 3 boundaries.

**Summary of District Services Provided by Zone**

Service	Zone 1	Zone 2	Zone 3
Tree Planting	√	√	√ (limited)
Landscape Maintenance	√		
Weed Removal	√		
Painting Streetlight Poles	√	√	√
Landscape Installation	√		
Maintenance Personnel	√		
Median Maintenance	√	√	√
Trash Receptacle Maintenance	√	√	√ (limited)
Tree Watering, Trimming & Maintenance	√ (as needed)	√ (1x year)	
Sidewalk Cleaning	√ (3x year)	√ (2x year)	√ (1x year)
Administration	√	√	√
Advocacy	√	√	
Marketing & Promotions	√		

**Annual Budget**

The following Management District Plan cost estimate has been developed by the Owners' Association to deliver services throughout the District. An annual budget will be developed by the Owners' Association. Unexpended funds will rollover one year to the next. If there are funds remaining at the end of the District's ten (10) year term, and the owners choose to renew the District, those remaining funds will be transferred to the renewed District. A portion of remaining funds may be reserved and used for the District's renewal. If the District is not renewed, all remaining funds will be returned to parcel owners. The District will not issue bonds to finance improvements.

**TABLE 1 - MANAGEMENT DISTRICT PLAN COST ESTIMATE, YEAR ONE**

Cost Description	Amount
Streetscape/Landscaping (37%)	\$73,389.48
Maintenance (31%)	\$61,488.48
Administration/Advocacy (18%)	\$35,702.99
Marketing (11%)	\$21,818.49
Contingency (3%)	\$5,950.50
<b>Total</b>	<b>\$198,349.94</b>

Any accrued interest or delinquent payments will be expended in the above categories. After ten (10) years the petition process, ballot process, and hearing process must be repeated for the District to be re-established.

**TABLE 2 - DISTRICT ESTIMATED ANNUAL ASSESSMENT TOTALS PER YEAR  
(including 3% annual increase)**

Category	Streetscape	Maintenance	Marketing	Administration	Contingency	Total
% Budget	37%	31%	11%	18%	3%	100%
<b>2012</b>	\$73,389.48	\$61,488.48	\$21,818.49	\$35,702.99	\$5,950.50	\$198,349.94
<b>2013</b>	\$75,591.16	\$63,333.14	\$22,473.05	\$36,774.08	\$6,129.01	\$204,300.44
<b>2014</b>	\$77,858.90	\$65,233.13	\$23,147.24	\$37,877.30	\$6,312.88	\$210,429.45
<b>2015</b>	\$80,194.66	\$67,190.12	\$23,841.66	\$39,013.62	\$6,502.27	\$216,742.33
<b>2016</b>	\$82,600.50	\$69,205.83	\$24,556.91	\$40,184.03	\$6,697.34	\$223,244.60
<b>2017</b>	\$85,078.52	\$71,282.00	\$25,293.61	\$41,389.55	\$6,898.26	\$229,941.94
<b>2018</b>	\$87,630.87	\$73,420.46	\$26,052.42	\$42,631.24	\$7,105.21	\$236,840.20
<b>2019</b>	\$90,259.80	\$75,623.08	\$26,833.99	\$43,910.17	\$7,318.36	\$243,945.41
<b>2020</b>	\$92,967.59	\$77,891.77	\$27,639.01	\$45,227.48	\$7,537.91	\$251,263.77
<b>2021</b>	\$95,756.62	\$80,228.52	\$28,468.19	\$46,584.30	\$7,764.05	\$258,801.68

***Time and Manner for Collecting Assessments***

The District special assessment will appear as a separate line item on annual Property Tax bills prepared by the County of Los Angeles. Property Tax bills are generally distributed in the fall, and payment is expected by lump sum or installments. The County of Los Angeles shall distribute funds collected to the City of Los Angeles. Then, the City of Los Angeles will disburse the funds to the District’s Owners’ Association, pursuant to the authorization of the Management District Plan. Existing laws for enforcement and appeal of parcel taxes apply to the District assessments. If necessary, the City of Los Angeles City Clerk’s Office will directly bill property owners or entities that do not appear on the tax roll.

***Assessment Notice***

An assessment notice will be sent to owners of each individual assessable parcel within the District boundaries. The assessment notice provides the assessment amount, based upon the parcel square footage and the linear front footage along Vermont Avenue. A list of assessable parcels included in the District is provided in the Assessment Calculation Table included as Appendix 1 of this Engineer’s Report.



## V. CERTIFICATION

I hereby certify, to the best of my knowledge and experience, that each of the identified benefiting parcels located within the East Hollywood Property and Business Improvement District will receive a special benefit over and above the general benefits conferred and that the amount of the assessment is proportional to, and no greater than, the special benefits conferred on each assessable parcel, as described in this Engineer's Report.

**Preparation of the Engineer's Report for the East Hollywood Property and Business Improvement District was completed by:**



Orin N. Bennett, PE  
State of California  
Registered Civil Engineer No. 25169

July 1, 2011  
Date



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## APPENDIX 1: ASSESSMENT CALCULATION TABLE

Map Key	APN	Zone	Parcel Size (sq ft)	Parcel Size Assessment	Vermont Frontage (ft)	Frontage Assessment	Total Assessment
1	5538022021	1	10,367.00	\$614.76	96.00	\$5.33	\$620.09
2	5538022900	1	10,498.00	\$622.53	100.00	\$5.55	\$628.08
3	5538022903	1	17,137.00	\$1,016.22	128.00	\$7.10	\$1,023.32
4	5538022904	1	13,225.00	\$784.24	58.00	\$3.22	\$787.46
5	5538022905	1	5,271.00	\$312.57	50.00	\$2.78	\$315.35
6	5538023903	3	706.00	\$11.30	42.00	\$0.63	\$11.93
7	5538023904	3	4,356.00	\$69.74	144.00	\$2.16	\$71.90
8	5538023905	3	1,110,780.00	\$17,784.70	1,048.00	\$15.70	\$17,800.40
9	5538026023	2	183,997.00	\$5,455.51	729.00	\$20.23	\$5,475.74
10	5538027008	1	13,591.00	\$805.95	100.00	\$5.55	\$811.50
11	5538027011	1	6,795.00	\$402.94	50.00	\$2.78	\$405.72
12	5538027012	1	13,591.00	\$805.95	100.00	\$5.55	\$811.50
13	5538027013	1	6,795.00	\$402.94	50.00	\$2.78	\$405.72
14	5538027014	1	7,492.00	\$444.28	55.00	\$3.05	\$447.33
15	5538027028	1	13,600.00	\$806.48	100.00	\$5.55	\$812.03
16	5538027035	1	18,286.00	\$1,084.36	131.00	\$7.27	\$1,091.63
17	5538028010	1	21,344.00	\$1,265.70	132.00	\$7.33	\$1,273.03
18	5539003023	1	31,268.00	\$1,854.19	173.00	\$9.60	\$1,863.79
19	5539003024	1	28,668.00	\$1,700.01	156.00	\$8.66	\$1,708.67
20	5539004009	1	19,079.00	\$1,131.38	155.00	\$8.60	\$1,139.98
21	5539004020	1	14,328.00	\$849.65	155.00	\$8.60	\$858.25
22	5539009011	1	10,125.00	\$600.41	154.00	\$8.55	\$608.96
23	5539009022	1	20,299.00	\$1,203.73	155.00	\$8.60	\$1,212.33
24	5539010018	1	6,403.00	\$379.70	50.00	\$2.78	\$382.48
25	5539010019	1	6,403.00	\$379.70	50.00	\$2.78	\$382.48
26	5539010020	1	6,447.00	\$382.31	50.00	\$2.78	\$385.09
27	5539010021	1	12,763.00	\$756.85	97.00	\$5.38	\$762.23
28	5539010022	1	8,189.00	\$485.61	61.00	\$3.39	\$489.00
29	5539015022	1	20,299.00	\$1,203.73	155.00	\$8.60	\$1,212.33
30	5539015024	1	20,112.00	\$1,192.64	151.00	\$8.38	\$1,201.02
31	5539016901	3	204,732.00	\$3,277.96	316.00	\$4.74	\$3,282.70
32	5539021008	1	11,631.00	\$689.72	155.00	\$8.60	\$698.32
33	5539021023	1	19,602.00	\$1,162.40	151.00	\$8.38	\$1,170.78
34	5539022012	1	12,981.00	\$769.77	100.00	\$5.55	\$775.32
35	5539022013	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
36	5539022014	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
37	5539022023	1	19,493.00	\$1,155.93	150.00	\$8.32	\$1,164.25
38	5539022024	1	6,495.00	\$385.15	50.00	\$2.78	\$387.93
39	5539022031	1	13,000.00	\$770.90	100.00	\$5.55	\$776.45
40	5539022033	1	11,613.00	\$688.65	96.00	\$5.33	\$693.98
41	5539033010	1	119,354.00	\$7,077.69	361.00	\$20.04	\$7,097.73
42	5540017002	1	8,015.00	\$475.29	50.00	\$2.78	\$478.07
43	5540017004	1	12,589.00	\$746.53	70.00	\$3.88	\$750.41

Map Key	APN	Zone	Parcel Size (sq ft)	Parcel Size Assessment	Vermont Frontage (ft)	Frontage Assessment	Total Assessment
44	5540017006	1	12,589.00	\$746.53	70.00	\$3.88	\$750.41
45	5540017007	1	8,407.00	\$498.54	70.00	\$3.88	\$502.42
46	5540017009	1	9,017.00	\$534.71	75.00	\$4.16	\$538.87
47	5540017010	1	13,469.00	\$798.71	101.00	\$5.61	\$804.32
48	5540017013	1	12,600.00	\$747.18	70.00	\$3.88	\$751.06
49	5540017804	1	33,236.00	\$1,970.89	190.00	\$10.54	\$1,981.43
50	5540019005	1	7,860.00	\$466.10	60.00	\$3.33	\$469.43
51	5540019012	1	15,375.00	\$911.74	75.00	\$4.16	\$915.90
52	5540019013	1	9,000.00	\$533.70	75.00	\$4.16	\$537.86
53	5540019016	1	7,884.00	\$467.52	75.00	\$4.16	\$471.68
54	5540019017	1	8,526.00	\$505.59	75.00	\$4.16	\$509.75
55	5540019019	1	14,300.00	\$847.99	116.00	\$6.44	\$854.43
56	5540020008	1	6,936.00	\$411.30	100.00	\$5.55	\$416.85
57	5540020010	1	5,489.00	\$325.50	50.00	\$2.78	\$328.28
58	5540020011	1	3,833.00	\$227.30	35.00	\$1.94	\$229.24
59	5540020012	1	15,377.00	\$911.86	75.00	\$4.16	\$916.02
60	5540020013	1	7,971.00	\$472.68	76.00	\$4.22	\$476.90
61	5540020014	1	11,718.00	\$694.88	50.00	\$2.78	\$697.66
62	5542014001	1	14,418.00	\$854.99	157.00	\$8.71	\$863.70
63	5542014019	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
64	5542014020	1	12,981.00	\$769.77	100.00	\$5.55	\$775.32
65	5542014021	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
66	5542014032	1	33,149.00	\$1,965.74	254.00	\$14.10	\$1,979.84
67	5542015001	1	14,288.00	\$847.28	110.00	\$6.10	\$853.38
68	5542015022	1	13,500.00	\$800.55	0.00	\$0.00	\$800.55
69	5542015030	1	43,560.00	\$2,583.11	0.00	\$0.00	\$2,583.11
70	5542015900	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17
71	5542015901	1	7,797.00	\$462.36	60.00	\$3.33	\$465.69
72	5542015902	1	6,499.00	\$385.39	50.00	\$2.78	\$388.17
73	5542016030	2	321,473.00	\$9,531.67	352.00	\$9.77	\$9,541.44
74	5542016033	2	60,984.00	\$1,808.18	0.00	\$0.00	\$1,808.18
75	5542017029	2	131,987.00	\$3,913.41	0.00	\$0.00	\$3,913.41
76	5542017030	2	246,114.00	\$7,297.28	419.00	\$11.63	\$7,308.91
77	5542017900	2	666.00	\$19.75	23.00	\$0.64	\$20.39
78	5542018026	1	24,270.00	\$1,439.21	162.00	\$8.99	\$1,448.20
79	5542018035	1	14,880.00	\$882.38	152.00	\$8.44	\$890.82
80	5542019001	1	8,102.00	\$480.45	162.00	\$8.99	\$489.44
81	5542019031	1	8,015.00	\$475.29	80.00	\$4.44	\$479.73
82	5542019032	1	8,189.00	\$485.61	82.00	\$4.55	\$490.16
83	5542028005	1	7,971.00	\$472.68	57.00	\$3.16	\$475.84
84	5542028025	1	68,738.00	\$4,076.16	246.00	\$13.65	\$4,089.81
85	5542029001	1	8,102.00	\$480.45	58.00	\$3.22	\$483.67
86	5542029002	1	7,013.00	\$415.87	50.00	\$2.78	\$418.65
87	5542029003	1	7,013.00	\$415.87	50.00	\$2.78	\$418.65
88	5542029038	1	10,019.00	\$594.13	71.00	\$3.94	\$598.07

Map Key	APN	Zone	Parcel Size (sq ft)	Parcel Size Assessment	Vermont Frontage (ft)	Frontage Assessment	Total Assessment
89	5542029039	1	99,752.00	\$5,915.29	250.00	\$13.88	\$5,929.17
90	5543007025	2	24,437.00	\$724.56	0.00	\$0.00	\$724.56
91	5543008007	2	13,460.00	\$399.09	0.00	\$0.00	\$399.09
92	5543009021	2	37,462.00	\$1,110.75	0.00	\$0.00	\$1,110.75
93	5543009025	2	124,582.00	\$3,693.86	296.00	\$8.21	\$3,702.07
94	5543009900	2	81,022.00	\$2,402.30	0.00	\$0.00	\$2,402.30
95	5543009901	2	21,336.00	\$632.61	0.00	\$0.00	\$632.61
96	5543009902	2	17,860.00	\$529.55	0.00	\$0.00	\$529.55
97	5543010017	2	125,453.00	\$3,719.68	0.00	\$0.00	\$3,719.68
98	5543010900	2	1,228.00	\$36.41	0.00	\$0.00	\$36.41
99	5543011010	2	78,844.00	\$2,337.72	0.00	\$0.00	\$2,337.72
100	5543011901	2	503,554.00	\$14,930.38	0.00	\$0.00	\$14,930.38
101	5543012018	2	109,771.00	\$3,254.71	0.00	\$0.00	\$3,254.71
102	5543012022	2	52,359.00	\$1,552.44	269.00	\$7.46	\$1,559.90
103	5543012023	2	58,366.00	\$1,730.55	179.00	\$4.97	\$1,735.52
104	5543012024	2	32,230.00	\$955.62	101.00	\$2.80	\$958.42
105	5543012025	2	60,113.00	\$1,782.35	186.00	\$5.16	\$1,787.51
106	5543012900	2	9,148.00	\$271.24	0.00	\$0.00	\$271.24
107	5543013001	1	17,598.00	\$1,043.56	160.00	\$8.88	\$1,052.44
108	5543013002	1	24,785.00	\$1,469.75	0.00	\$0.00	\$1,469.75
109	5543013009	1	7,144.00	\$423.64	55.00	\$3.05	\$426.69
110	5543013012	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
111	5543013013	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
112	5543013014	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
113	5543013015	1	39,335.00	\$2,332.57	95.00	\$5.27	\$2,337.84
114	5543014011	1	4,661.00	\$276.40	49.00	\$2.72	\$279.12
115	5543014012	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
116	5543014013	1	6,490.00	\$384.86	50.00	\$2.78	\$387.64
117	5543014014	1	19,515.00	\$1,157.24	150.00	\$8.32	\$1,165.56
118	5543014015	1	12,981.00	\$769.77	100.00	\$5.55	\$775.32
119	5543015019	1	8,368.00	\$496.22	0.00	\$0.00	\$496.22
120	5543015020	1	6,403.00	\$379.70	0.00	\$0.00	\$379.70
121	5543015021	1	26,354.00	\$1,562.79	0.00	\$0.00	\$1,562.79
122	5543017018	1	238,709.00	\$14,155.44	0.00	\$0.00	\$14,155.44
123	5543018021	1	40,646.00	\$2,410.31	0.00	\$0.00	\$2,410.31
124	5543020023	1	26,223.00	\$1,555.02	0.00	\$0.00	\$1,555.02
125	5589030027	2	6,882.00	\$204.05	0.00	\$0.00	\$204.05
126	5589030030	2	28,485.00	\$844.58	0.00	\$0.00	\$844.58
127	5589030032	2	33,860.00	\$1,003.95	0.00	\$0.00	\$1,003.95
128	5589031016	2	25,700.00	\$762.00	0.00	\$0.00	\$762.00
129	5589031025	2	11,935.00	\$353.87	0.00	\$0.00	\$353.87
130	5589031026	2	11,761.00	\$348.71	0.00	\$0.00	\$348.71
131	5589031036	2	19,602.00	\$581.20	0.00	\$0.00	\$581.20
132	5589038036	2	9,239.00	\$273.94	0.00	\$0.00	\$273.94
<b>TOTAL</b>				<b>\$197,773.32</b>		<b>\$576.62</b>	<b>\$198,349.94</b>

ORDINANCE NO. \_\_\_\_\_

An Ordinance of Intention to establish a Property and Business Improvement District to be known as the "East Hollywood Business Improvement District" pursuant to the Provisions of the Property and Business Improvement District Law of 1994 (Division 18, Part 7, Streets and Highways Code, State of California) and to levy assessments.

**WHEREAS**, the Property and Business Improvement District Law of 1994 authorizes cities to establish Property and Business Improvement Districts for the purpose of levying assessments on real property for certain purposes; and

**WHEREAS**, the East Hollywood Business Improvement District was established by City Council on January 10, 2007 by adoption of Ordinance No. 178,330 and operated its inaugural five-year operational period from January 1, 2007 to December 31, 2011; and

**WHEREAS**, property owners in the East Hollywood business community who will pay more than 50 percent of the total amount of assessments to be levied, have filed written petitions requesting that the City Council establish a district to be named the East Hollywood Business Improvement District.

**NOW THEREFORE,**

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. DECLARATION. Pursuant to the provisions of Property and Business Improvement District Law of 1994, Section 36600 *et seq.*, of the Streets and Highways Code (Act), the City Council declares its intention to consider the establishment of a Property and Business Improvement District to be named the East Hollywood Business Improvement District (District).

Sec. 2. ADOPTION OF ENGINEER'S REPORT AND MANAGEMENT DISTRICT PLAN. The City Council hereby adopts, approves and confirms the Engineer's Report and the Management District Plan included in Council File No. \_\_\_\_\_.

Sec. 3. PARCELS WITHIN THE DISTRICT. The City Council hereby affirms its finding that all parcels, which will have a special benefit conferred upon them and upon which an assessment will be imposed, are identified in the Management District Plan.

Sec. 4. PROPORTIONAL BENEFIT. The City Council hereby reaffirms that the assessment proposed to be imposed on each parcel does not exceed the reasonable cost of the proportional benefit conferred on that parcel.

Sec. 5. SEPARATION OF GENERAL AND SPECIAL BENEFITS. The City Council hereby affirms that it has separated the general benefits, if any, from the special benefits conferred on each parcel.

Sec. 6. ASSESSMENTS SUPPORTED BY ENGINEER'S REPORT. The City Council hereby affirms that all proposed assessments are supported by a detailed engineer's report prepared by a registered professional engineer certified by the state of California.

Sec. 7. DISTRICT BOUNDARIES. The City Council hereby declares that the boundaries of the proposed District are as detailed in the Management District Plan. The proposed East Hollywood BID area consists of approximately 34 blocks. A general description of the of the District is as follows: Vermont Avenue from Highway 101 north to Hollywood Boulevard in East Hollywood; along Hollywood Boulevard from Vermont Avenue west to Edgemont Street; and along Sunset Boulevard from Edgemont Street east to Lyman Place. All property within the approximate boundaries described above are included in the East Hollywood BID.

There are 132 parcels owned by 80 stakeholders in the proposed District. The map included in the District's Management District Plan gives sufficient detail to locate each parcel of property within the proposed District.

Sec. 8. IMPROVEMENTS AND ACTIVITIES. The City Council hereby declares that the proposed activities and improvements to be funded by the levy of assessments on property within the District are detailed in the Management District Plan. They include, but are not limited to, Streetscape and Landscape Projects, Maintenance, Administration and Advocacy, and Marketing and Promotion.

Sec. 9. ANNUAL ASSESSMENTS AND DURATION. The District's total assessment for ten years is estimated to be \$2,273,859.76. The District's total annual assessment for the first year is estimated to be \$198,349.94. Annual assessments for subsequent years may be adjusted based upon the Consumer Price Index for the Los Angeles region, or by a flat percentage rate, not to exceed three percent of the previous year's rate. It is proposed that the District be established for a ten year period. The District will not issue bonds.

Sec. 10. COLLECTION OF ASSESSMENTS. The City Council hereby declares that to the extent possible, assessments shall be collected at the same time and in the same manner as County ad valorem property taxes and shall be subject to all laws providing for the collection and enforcement of assessments. For properties that do not appear on the County tax rolls or for assessments for any years in which the City is unable to transmit the assessment information to the County in sufficient time for the County to collect the assessments with the County ad valorem property taxes, the City Clerk may bill and collect the assessments by mailing assessment notices (Statement



of Assessment Due) to each property owner within the District at the address shown on City records. Assessments billed by the City Clerk are due 45 calendar days after the Statement of Assessment Due.

Sec. 11. NOTICE, PROTESTS AND HEARING PROCEDURES. The City Clerk shall follow the notice, protest, and hearing procedures prescribed in the Proposition 218 Omnibus Implementation Act (California Government Code, Section 53750 *et seq.*).

Sec. 12. PUBLIC HEARING. The City Council will hold a public hearing to determine whether to establish the District and levy assessments on \_\_\_\_\_ at 10:00 a.m., or as soon thereafter as City Council business permits, and on any hours and days for continued hearing as ordered by the City Council, in the John Ferraro Council Chamber, Room 340, City Hall, 200 North Spring Street, Los Angeles, California 90012. At the hearing, all interested persons will be permitted to present written or oral testimony, and the City Council will consider all objections or protests to the proposed assessment.

Sec. 13. NOTICE TO RECORD OWNERS. The City Clerk shall give notice of the public hearing, in the manner specified in Government Code Section 53753, to the record owner of each parcel subject to the levy of an assessment. The notice shall be given at least 45 days before the public hearing date and shall specify that the public hearing will be to determine whether the City Council will establish the District and levy assessments.

Sec. 14. TABULATION OF ASSESSMENT BALLOTS. At the conclusion of the public hearing, the City Clerk shall tabulate all assessment ballots that have been submitted and not withdrawn. To be included in the tabulation, assessment ballots must be received by the City Clerk either at the address indicated in the notice required by Government Code Section 53753 or at the site of the public hearing prior to the conclusion of the public hearing. The City Clerk will certify the results of the tabulation to the City Council during its meeting on \_\_\_\_\_ at 10:00 a.m., or as soon thereafter as City Council business permits, in the John Ferraro Council Chamber, Room 340, City Hall, 200 North Spring Street, Los Angeles, California 90012.

Sec. 15. MAJORITY PROTEST. If there is a majority protest against the imposition of the assessment, the City Council will not impose the assessment. A majority protest will exist if the assessment ballots submitted, and not withdrawn, in opposition to the proposed assessment exceed the assessment ballots submitted, and not withdrawn, in its favor, weighting those assessment ballots by the amount of the proposed assessment to be imposed upon the identified parcel for which each assessment ballot was submitted.

Sec. 16. AMENDMENT TO ENABLING STATUTE. The properties and businesses within the District established by this Ordinance shall be subject to any

amendments to the Property and Business Improvement District Law of 1994 (Division 18, Part 7, Streets and Highways Code, State of California).

Sec. 17. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of \_\_\_\_\_.

JUNE LAGMAY, City Clerk


By \_\_\_\_\_  
Deputy

Approved \_\_\_\_\_

\_\_\_\_\_  
Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By  **CHRISTY NUMANO-HIURA**  
Deputy City Attorney

Date 7-5-11

File No. CF \_\_\_\_\_