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CITY CLERK

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CALIFORNIA



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September 22, 2016
Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council Districts 2

REGARDING:

**THE NORTH HOLLYWOOD (PROPERTY BASED) BUSINESS IMPROVEMENT
DISTRICT'S 2017 FISCAL YEAR ANNUAL PLANNING REPORT**

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the North Hollywood Business Improvement District's ("District") 2017 fiscal year (CF 11-0046). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an Annual Planning Report for the District must be submitted for approval by the City Council. The North Hollywood Business Improvement District's Annual Planning Report for the 2017 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The North Hollywood Business Improvement District was established on August 5, 2014 by and through the City Council's adoption of Ordinance No. 183164 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

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

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

The attached Annual Planning Report, which was approved by the District's Board at their meeting on September 22, 2016, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

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

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the North Hollywood Business Improvement District's 2017 fiscal year complies with the requirements of the State Law
2. FIND the the increase in the 2017 budget concurs with the intentions of the North Hollywood Business Improvement District's Management District Plan and does not adversely impact the benefits received by assessed property owners.
3. ADOPT the attached Annual Planning Report for the North Hollywood Business Improvement District's 2017 fiscal year, pursuant to the State Law.

Sincerely,



Shannon D. Hoppes
Executive Officer

Attachment:

North Hollywood Transit Business Improvement District's 2017 Fiscal Year Annual Planning Report

November 30, 2016

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

Subject: North Hollywood Transit PBID 2017 Annual Planning Report

Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, the Board of Directors of the North Hollywood Transit Business Improvement District has caused this North Hollywood Transit Business Improvement District Annual Planning Report to be prepared at its meeting on November 9, 2016.

This report covers proposed activities of the North Hollywood Transit BID from January 1, 2017 through December 31, 2017.

Sincerely,

A handwritten signature in black ink, appearing to read 'AA', with a stylized flourish at the end.

Aaron Aulenta
Assistant Director
North Hollywood BID

North Hollywood Transit Business Improvement District

2017 Annual Planning Report

District Name

This report is for the North Hollywood Transit Business Improvement District (District). The District is operated by the North Hollywood Business Improvement District Corporation, a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2017 Fiscal Year. The District Board of Directors approved the 2017 Annual Planning Report at the November 9, 2016 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2017.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2017.

2017 IMPROVEMENTS, ACTIVITIES AND SERVICES

Clean & Safe: \$507,363.00 (79.97%)

Safe Team Program: The Safety Program will provide safety services for the individual assessed parcels located within the District in the form of patrolling bicycle personnel, and foot patrol. The purpose of the Safe Team Program is to prevent, deter and report illegal activities taking place on the streets, sidewalks, storefronts, parking parcels and alleys. The presence of the Safe Team Program is intended to deter such illegal activities as public urination, indecent exposure, trespassing, drinking in public, prostitution, illegal panhandling, illegal vending, and illegal dumping.

Clean Team Program: In order to consistently deal with cleaning issues, a multi-dimensional approach has been developed consisting of the following elements.

Sidewalk Cleaning: Uniformed, radio equipped personnel sweep litter, debris and refuse from sidewalks and gutters of the District. District personnel may pressure wash the sidewalks.

Trash Collection: Collector truck personnel collect trash from sidewalk trash receptacles as needed. They are also dispatched to collect large bulky items illegally dumped in the District.

Graffiti Removal: District personnel remove graffiti by painting, using solvent and pressure

washing. The District maintains a zero tolerance graffiti policy. An effort is made to remove all tags within 24 hours on weekdays.

Communication: \$23,651.00 (03.73%)

It is important to not only provide the services needed in the District, but to tell the story of improvement in the District. Some of the communication/image programs currently in place or being considered are:

- Quarterly Newsletter
- NoHo BID Web Site
- NoHo Card

Administration and Office Expense: \$103,399.00 (16.30%)

The improvements and activities are managed by a professional staff that requires centralized management support. Management staff oversees the District's services which are delivered seven days a week. Management staff actively works on behalf of the District parcels to insure that City and County services and policies support the District. Included in this item are management labor, office expense and organizational expenses such as insurance and the cost to conduct a yearly financial review. Also included in this budget item are City fees to collect and process the assessments.

Total Estimate of Cost for 2017

A breakdown of the total estimated 2017 budget is attached to this report as **Appendix A**.

Method and Basis of Levying the Assessment

The Method for levying the 2017 assessment remains the same as listed in the Management District Plan. Annual assessments are based upon an allocation of program costs and a calculation of assessable footage for two (2) Benefit Zones. Assessments are determined by lot square footage and building square footage. The assessment rates for 2017 are as follows:

Zone 1

Non-Government

Lot: \$0.1043 per square foot

Building: \$0.0271 per square foot

LAUSD

Lot: \$0.0423 per square foot

Building: \$0.0117 per square foot

City Fire Dept. Parcel

Lot: \$0.0710 per square foot

Building: \$0.0181 per square foot

St. Paul's Lutheran Church (School Parcels Only)

Lot: \$0.0423 per square foot

Building: \$0.0117 per square foot

Zone 2

Lot: \$0.1211 per square foot

Building: \$1.3355 per square foot

(There is a 5% CPI increase for 2017)

Surplus Revenues: \$9,717.16

Carryover from 2016 to support 2017 budget and minimum wage increases.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2017.

Contribution from Sources other than assessments: \$31,288.00

\$26,188 General Benefit payment from City of LA, \$3,000 anticipated LANI grant, \$2,000 anticipated assessment interest, \$100 of interest income.

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE North Hollywood Transit BID- FY 2017

	Zone One	Zone Two	Total	
2017 Assessments	\$492,528.51	\$100,879.33	\$593,407.84	
Estimated Carryover from 2016	\$8,065.24	\$1,651.92	\$9,717.16	
Other Income	\$25,969.00	\$5,319.00	\$31,288.00	
Total Estimated Revenues	\$526,562.75	\$107,850.25	\$634,413.00	
2017 Estimated Expenditures				Pct.
Clean & Safe	\$421,111.75	\$86,251.25	\$507,363.00	79.97%
Communication	\$19,630.00	\$4,021.00	\$23,651.00	03.73%
Administration and Office Expense	\$85,821.00	\$17,578.00	\$103,399.00	16.30%
Total Estimated Expenditures	\$526,562.75	\$107,850.25	\$634,413.00	100%