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February 24, 2011

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

Council Districts 1-15

REGARDING: LOS ANGELES TOURISM MARKETING DISTRICT

Honorable Members:

The City Clerk has received materials relative to the formation of a proposed business improvement district to be called the Los Angeles Tourism Marketing District ("District"). The District would be formed 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).

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) the Engineer's Report, which supports the determination of specific benefits; and 3) a draft Ordinance of Intention, approved as to form and legality by the City Attorney's Office.

BACKGROUND

The District is being established 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 establishment of a business improvement district in which operations would be supported by revenue collected from lodging businesses (as defined in the attached Management District Plan) with fifty (50) rooms or more within the boundaries of the proposed District.

The proposed District's programs include, but are not limited to the following: marketing, sales, administration, contingency and renewal to be funded by an annual assessment of 1.5% of Gross Room Rental Revenue (as defined in the attached Management District Plan).

PRELIMINARY PETITIONS

In order to proceed with the establishment process under the State Law, the proponent

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group needed to secure written support for the project in the form of petitions signed by lodging business owners (as defined in the attached Management District Plan) who will pay more than 50 percent of the assessments proposed to be levied. The consulting firm for the proposed District, Civitas, has presented to the Office of the City Clerk a set of petitions that support the formation of the proposed District. The Office of the City Clerk, using resources available through the Office of Finance, verified the accuracy of the assessment calculations.

The petitions received indicate affirmative financial support of the project in an amount equivalent to \$8,115,639.66. This represents 70.57 percent (70.57%) of the total proposed District's projected first year revenue of \$11,500,000. Because the more than 50 percent threshold of preliminary support has been achieved, the formal business improvement district establishment process, including a public meeting and a public hearing before the City Council, may be initiated.

PROPOSED DISTRICT BOUNDARIES

The boundaries of the proposed District are as detailed in the Management District Plan. A general description of the exterior boundaries and parcels to be assessed in the proposed District is as follows: All lodging businesses with fifty (50) rooms or more, existing and in the future for the duration of this District within the geographic boundaries of the City of Los Angeles.

The boundaries of the proposed District will overlap the boundaries of other established business improvement districts that may also contain lodging businesses with fifty (50) rooms or more in the City of Los Angeles. State Law does not prohibit the boundaries of a district created pursuant to State Law to overlap with other assessment districts established pursuant to other provisions of law including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). The benefits and services provided by the proposed District to lodging businesses with fifty (50) rooms or more within established business improvement districts in the City of Los Angeles are separate and distinct from the benefits and services provided by other business improvement districts.

The Management District Plan lists 161 lodging businesses subject to assessment in the proposed District. The map included in the District's Management District Plan gives sufficient detail to locate each lodging business within the proposed District.

DISTRICT ESTABLISHMENT

For establishment of the proposed District to take place, City Council must find that: 1) The proposed District is eligible for establishment pursuant to Section 36600 et seq. of the California Streets and Highways Code; 2) The lodging businesses within the area of the proposed District will benefit by the improvements and activities funded by the assessments proposed to be levied; 3) The revenue from the levy of assessments within the District shall not be used to provide improvements or activities outside the District or for any purpose other than the purposes specified in the Management District Plan; 4) The

assessment proposed to be imposed on each lodging business does not exceed the reasonable cost of the proportional benefit conferred on lodging business; 5) The benefit of this District is a special benefit and exceeds the level of services provided by the City; and 6) This specific assessment for special benefits falls under the category 1 exemption of Proposition 26.

City Council must also adopt an Ordinance of Intention which describes the proposed District and outlines the legal requirements for establishing a District pursuant to Section 36600 et seq. of the California Streets and Highways Code. Establishment of the District is subject to holding one public meeting and one public hearing, of which the dates, times, and location will be both 1) stated in the ordinance, and 2) mailed to the lodging business owners within the proposed District boundaries pursuant to Section 54954.6 of the California Government Code.

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, Proposition 26 provides for exemptions.

Under Proposition 26, assessments for specific benefits are not defined as taxes and are exempt under Article XIII C §1(e) which states "A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege". For the City Council to find that the Los Angeles Tourism Marketing District is exempt from Proposition 26, it must find that 1) the assessment dollars are used in a manner that creates a clear and direct link between the marketing service provided and the benefit to the assessed lodging business; 2) no business other than the assessed lodging business will benefit from the assessment and attendant marketing services; and 3) the assessment imposed does not exceed the reasonable cost to the local government of conferring the benefit.

The assessments for the Los Angeles Tourism Marketing District are used to provide marketing, sales, and administration which directly and specially benefits lodging businesses with 50 or more rooms. These services are funded solely by the assessments collected and are provided only to the lodging businesses which pay the assessments. No services are provided to lodging businesses which do not pay the assessments or to lodging business located outside of the District boundaries. The assessment dollars collected fund the budget to provide these services within the District boundaries for the purpose of increasing room night sales. Such services cannot be provided without charging the assessment. Therefore, the services are a direct result of the assessment collected and only the lodging businesses paying the assessment will receive the services.

PROPOSED IMPROVEMENTS AND PROGRAMS

The District is expected to generate \$11,500,000 annually over a five-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: marketing, sales, administration, contingency and renewal. The District's assessment is proposed to be implemented beginning April 1, 2011. The proposed District's budgeted services will be pro-rated for the first year if the assessment is not implemented by April 1, 2011. The benefits and services provided by the proposed District to lodging businesses with fifty (50) rooms or more within established business improvement districts in the City of Los Angeles are separate and distinct from the benefits and services provided by other business improvement districts.

ASSESSMENT FORMULA AND DISBURSEMENTS

The District's proposed assessment formula is based upon an allocation of program costs. For the duration of the District, the annual assessment rate will be 1.5% of Gross Room Rental Revenue for Transient stays of less than 31 days for lodging businesses (as described in the Management District Plan).

The City Clerk, or its designee, will collect the assessment from the lodging businesses as described in the Management District Plan. Penalties for delinquent assessments will be collected from the lodging businesses as described in the Management District Plan. Assessment revenue will be held in a trust fund by the City and will be disbursed through installments to the District to support authorized District improvements and activities.

AUDITING

The City Clerk, or its designee, shall be allowed to review or audit the financial records of the owners' association and all lodging businesses included in the District as necessary to ensure accurate collection and expenditure of assessments. The City Clerk finds that M.R. Grant, CPA has conducted audits of business improvement districts and as such is an expert in the audit of business improvement districts. The City Clerk requests to execute a 3rd supplemental agreement with M.R. Grant, CPA for an amount not to exceed \$100,000 for the duration of the District.

CONTRACTING WITH OWNERS' ASSOCIATION

Upon the establishment 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."

LA Inc. has administered a contract with the City for the purpose of marketing the City of Los Angeles as a tourist destination. LA Inc. is a non-profit corporation that has served as the proponent group, assisting in the development of the District's Management District Plan, working with the District's formation consultant and performing other activities related to the establishment of the District. The City Clerk finds that the LA Inc. possesses unique knowledge and expertise relative to the District and has a vested interest in the success of the District, therefore it would be impractical to comply with the competitive bidding requirements or to select another entity to administer the District.

ASSESSABLE CITY BUSINESS

There are no City-owned lodging businesses within the boundaries of the proposed District and therefore no assessments to be paid by the City.

FISCAL IMPACT

City Clerk administrative expenses will be charged to the proposed District and will be recovered from assessments collected. The amount of recoverable costs for the first year of the proposed District's operations is estimated to be \$115,000 or one percent (1%) of the proposed District's estimated first-year assessment revenue. Additionally, in the initial year of operation, the City of Los Angeles will be reimbursed by the District for costs incurred to set up collection procedures in an amount not to exceed \$35,000.

RECOMMENDATIONS

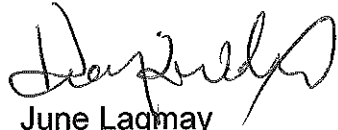
1. FIND that the proposed District is eligible for establishment pursuant to Section 36600 et seq. of the California Streets and Highways Code.
2. FIND that the assessments for the proposed business based District are not taxes and that the District qualifies for exemption from Proposition 26 under exemption 1 of Article XIII C §1(e).
3. FIND that the petitions submitted on behalf of the proponents of the proposed Los Angeles Tourism Marketing District are signed by lodging business owners who will pay more than fifty (50) percent of the assessments proposed to be levied.
4. FIND that the marketing of this District is a special benefit for the lodging businesses with 50 rooms or more and exceeds the level of services provided by the City.
5. FIND that the assessment dollars are used in a manner that creates a clear and direct link between the marketing service provided and the benefit to the assessed lodging business.
6. FIND that no business other than the assessed lodging business will benefit from the assessment and attendant marketing services.

7. FIND that the assessment imposed does not exceed the reasonable cost to the local government of conferring the benefit.
8. FIND that in accordance with State Law and based on the facts and conclusions contained in the attached Management District Plan, the assessment levied on each lodging business shall not be used to provide improvements or activities outside the District or for any other purpose other than those described in the Management District Plan and does not exceed the reasonable cost of the proportional special benefit conferred on that lodging business.
9. FIND that all lodging business with 50 rooms or more that will have a special benefit conferred upon them by the improvements and activities provided and upon which an assessment would be imposed are those as identified in the Management District Plan and Engineer's Report.
10. FIND that in accordance with State Law, the benefits and services provided by the District to lodging businesses with fifty (50) rooms or more within established business improvement districts in the City of Los Angeles are separate and distinct from the benefits provided by other business improvement districts.
11. FIND that the City Clerk, or its designee, will collect the assessments.
12. FIND that the City Clerk, or its designee, shall be allowed to review or audit the financial records of the owners' association and all lodging businesses as necessary to ensure accurate collection and expenditure of the assessments.
13. ADOPT the Preliminary Report of the City Clerk.
14. ADOPT the attached Management District Plan and the Engineer's Report
15. ADOPT the attached Ordinance of Intention to establish the Los Angeles Tourism Marketing District.
16. DIRECT the City Clerk to comply with the notice, protest, and hearing procedures prescribed in the California Government Code, Section 54954.6.
17. REQUEST the City Attorney, with the assistance of the City Clerk, to prepare an enabling Ordinance establishing the Los Angeles Tourism Marketing District for City Council consideration at the conclusion of the required public hearing.
18. AUTHORIZE the City Clerk, upon establishment of the District, to prepare, execute and administer a contract between the City of Los Angeles and LA Inc. for the administration of the District's programs.
19. AUTHORIZE the City Clerk, upon establishment of the District, to prepare and execute a 3rd supplemental agreement to contract C-110276 for an amount not to

exceed \$100,000 with M.R. Grant, CPA, for auditing purposes.

20. AUTHORIZE the Controller, upon establishment of the District, to establish and assign a new revenue source code special trust fund within FMIS to be known as the Los Angeles Tourism Marketing District Fund (Fund) "XXX". The revenue from the assessment shall be collected and placed in the Fund XXX to be established and all interest and other earnings attributable to assessments, contributions and other revenue deposited shall be credited to the Fund XXX.
21. AUTHORIZE the City Clerk to receive \$35,000 from the Los Angeles Tourism Marketing District, and upon receipt transfer the funds to the Office of Finance for reimbursement of accounting billing software upgrades.
22. AUTHORIZE the City Clerk and/or Controller to make any technical corrections or clarifications to the above fund transfer and recommendation in order to effectuate the intent of this report.

Sincerely,



June Lagmay
City Clerk

JL:HLW:MCP:RMH:PM:rks

Attachments:

Draft Ordinance of Intention
Management District Plan
Engineer's Report

LOS ANGELES TOURISM MARKETING DISTRICT MANAGEMENT DISTRICT PLAN

TABLE OF CONTENTS

I.	INTRODUCTION AND OVERVIEW	2
II.	WHY A TOURISM MARKETING DISTRICT FOR LOS ANGELES?	3
III.	WHAT IS A TOURISM MARKETING DISTRICT?	4
IV.	DEFINITIONS.....	5
V.	LOS ANGELES TOURISM MARKETING DISTRICT BOUNDARY	6
VI.	SERVICE PLAN AND BUDGET.....	8
A.	Assessment	8
B.	Assessment Rationale.....	8
C.	Determination of Special Benefit	9
D.	Time and Manner for Collecting Assessments.....	10
E.	Penalties and Interest	10
F.	Service Plan Budget and Programs to be Provided	11
G.	Annual Service Plan	11
H.	Adjustments	11
I.	Annual Budget	11
VII.	BID GOVERNANCE	15
A.	Los Angeles Tourism Marketing District Governance.....	15
B.	Brown Act and Public Records Act Compliance	15
C.	Annual Report	15
D.	Auditing	16
APPENDIX 1 – THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF		
1994.....		17
APPENDIX 2 – LODGING BUSINESSES WITH 50 OR MORE ROOMS TO BE ASSESSED		
WITHIN THE LATMD		31
APPENDIX 3 – BOUNDARIES OF AREAS FOR BOARD MEMBER SELECTION.....		37

I. INTRODUCTION AND OVERVIEW

Developed by City of Los Angeles hotels and motels, the Los Angeles Tourism Marketing District (LATMD) is a benefit assessment district proposed to help fund marketing and sales promotion efforts for lodging businesses with fifty or more rooms located within the City of Los Angeles. This approach has been used successfully in other destination areas throughout the country to improve tourism and drive additional room nights.

Location: The proposed LATMD includes all lodging businesses with fifty (50) rooms or more located within the boundaries of the City of Los Angeles.

Services: Marketing and sales promotions to increase tourism and to market Los Angeles as a tourist, meeting and event destination, and to increase gross room rental revenue for special benefit of assessed lodging businesses with 50 or more rooms. These services are supplemental to those provided by the City of Los Angeles pursuant to existing contracts with non-profit corporations.

Budget: The total LATMD annual budget for the initial year of operation is anticipated to be \$11,500,000. The annual budget is anticipated to increase by approximately three percent per year.

Cost: Annual assessment rates are 1.5% of gross room rental revenue on lodging businesses with 50 or more rooms. Based on the benefit received, certain stays shall not be subject to assessment as described on page 8.

Formation: LATMD formation requires submittal of petitions from lodging businesses representing more than 50% of the total annual assessment followed by a City Council hearing and an opportunity for a written protest. The assessed lodging business owners will receive notice of the public hearing by mail. If there is a majority written protest, the tourism marketing district will not be formed.

Duration: The proposed LATMD will have a five (5) year life. The LATMD assessment will be implemented beginning April 1, 2011. Once per year beginning on the anniversary of the formation of the district there is a 30-day period in which owners paying more than 50% of the assessment may protest and terminate the district.

II. WHY A TOURISM MARKETING DISTRICT FOR LOS ANGELES?

There are several reasons why now is the right time to form a tourism marketing district in Los Angeles. The most compelling reasons are as follows:

1. *The Need to Increase Occupancy*

Formation of the LATMD is a proactive effort to raise money through an assessment intended to supplement the City of Los Angeles' funding of tourism promotion, and is not intended to supplant City funding. By providing additional funding for increased sales and marketing efforts, the LATMD will allow Los Angeles to remain competitive in the tourism market.

2. *Additional Funding for Tourism Promotion*

The LATMD will provide an additional source of funding for consistent tourism marketing and sales efforts. LATMD funding for tourism marketing will be directly tied to the tourism industry. This funding will be above and beyond funds the City of Los Angeles currently dedicates to tourism marketing efforts.

3. *An Opportunity to Create New Jobs*

The LATMD will have a positive economic impact on lodging businesses with fifty or more rooms. Increasing demand for rooms at assessed lodging businesses with over fifty rooms will create an opportunity for new jobs and expanded services at those lodging businesses.

III. WHAT IS A TOURISM MARKETING DISTRICT?

Tourism Marketing Districts utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. They allow lodging and tourism-related business owners to organize their efforts to increase tourism. Tourism-related business owners within the district fund a tourism marketing district, and those funds are used to provide services that the businesses desire and that benefit the businesses within the tourism marketing district.

Tourism Marketing District services may include, but are not limited to:

- Marketing of the Destination
- Tourism Promotion Activities
- Sales Lead Generation

In California, Tourism Marketing Districts are formed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code §36600 et seq. This law allows for the creation of a special benefit assessment district to raise funds within a specific geographic area. The assessment imposed by a tourism marketing district is not a tax for the general benefit of a city, but rather an assessment for improvements and activities which confer special benefits upon the businesses being assessed.

There are many benefits to Tourism Marketing Districts:

- Funds cannot be diverted for other government programs;
- Tourism Marketing Districts are customized to fit the needs of each tourism district;
- They allow for a wide range of services, including those listed above;
- Tourism Marketing Districts are *designed, created and governed by those who will pay* the assessment;
- They provide an incremental funding source for tourism promotion.

The Property and Business Improvement District Law of 1994, Streets and Highways Code §36600 et seq., is provided in Appendix 1 of this document.

IV. DEFINITIONS

As used herein the following terms shall be defined as follows:

Baseline Level of Services: The "baseline level of services" is those tourism marketing services funded by the City of Los Angeles prior to establishment of the LATMD. The services provided pursuant to the City's existing contract for marketing services are considered the baseline level of services. The LATMD funded services will supplement, not supplant, the City's pre-existing marketing programs. In the event the City of Los Angeles reduces tourism marketing funding to a level below the baseline subsequent to the establishment of the LATMD, it is the intent of the lodging businesses with fifty or more rooms to gather petitions to disestablish the LATMD pursuant to Streets and Highways Code §36670(a)(2).

Gross Room Rental Revenue: The term "gross room rental revenue" as used herein includes the following: the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross revenue shall not include any federal, state or local taxes collected.

Lodging Business: "Lodging Business" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio, hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, or other similar structure or portion thereof, with fifty or more rooms.

Lodging Business Owner: "Lodging Business Owner" means the person or organization shown as the owner of the business on the City of Los Angeles' records.

Owners' Association: "Owners' association" means a private nonprofit entity that is under contract with the City of Los Angeles to administer or implement activities and improvements specified in this management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all documents relating to activities of the district.

Transient: 1. Any person, other than an individual, who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for any period of time, or

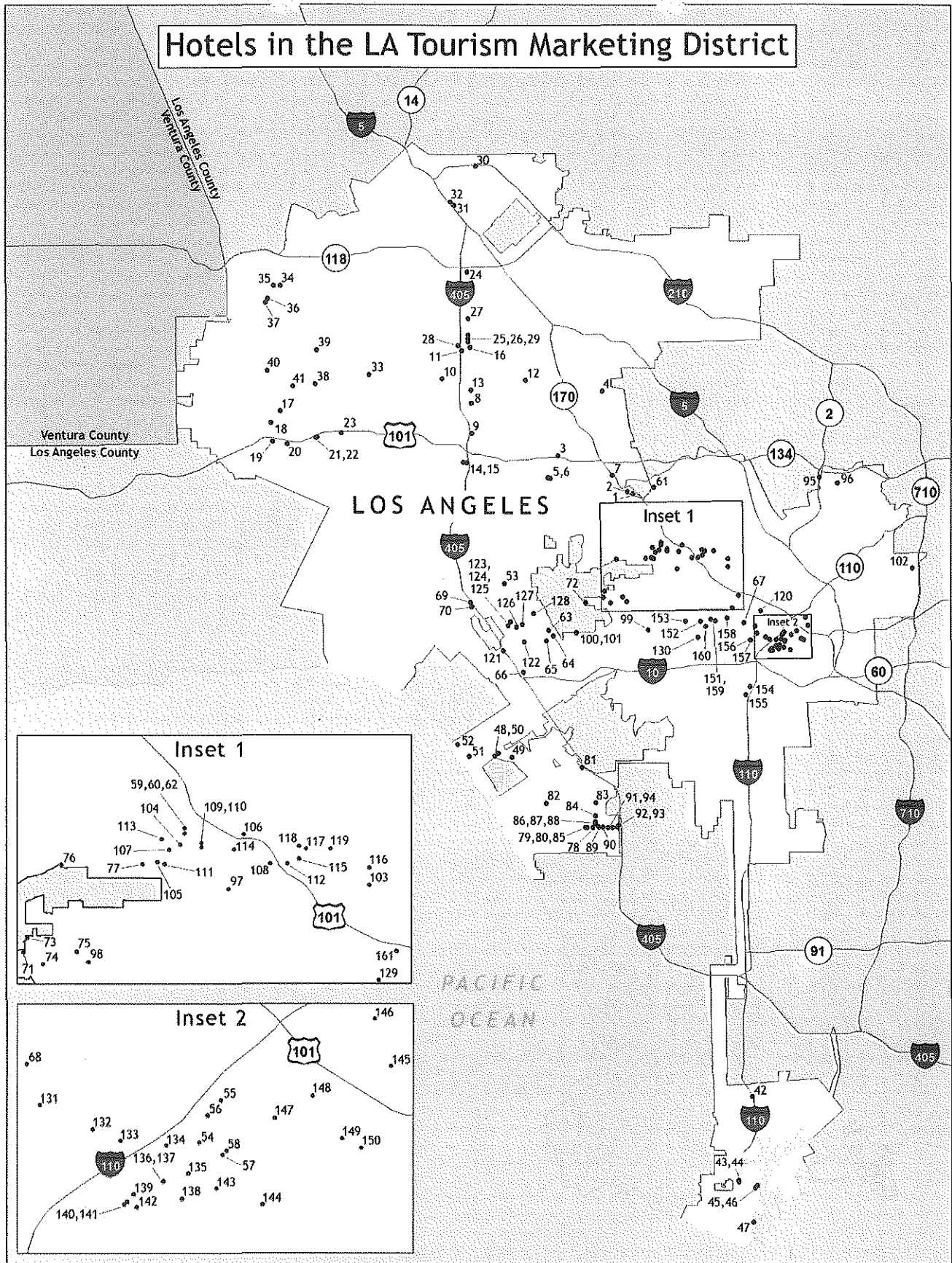
2. Any individual who personally exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such individual so occupying space in a hotel shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy.

V. LOS ANGELES TOURISM MARKETING DISTRICT BOUNDARY

The LATMD will include all lodging businesses with fifty (50) rooms or more, existing and in the future, available for public occupancy within the boundaries of the City of Los Angeles. New lodging businesses with 50 or more rooms opening during the term of the district, and lodging businesses expanding to 50 or more rooms during the term of the district, will be assessed in the LATMD upon their expansion or opening. Lodging businesses with 50 or more rooms which reduce the number of rooms to less than fifty during the term of the district will cease to be assessed upon reduction of rooms to less than fifty.

The boundary is estimated to include approximately 161 lodging businesses with 50 or more rooms. Please see the map on the following page. A complete listing of lodging businesses with 50 or more rooms within the proposed LATMD can be found on Appendix 2 of this Plan.

Hotels in the LA Tourism Marketing District



VI. SERVICE PLAN AND BUDGET

A. Assessment

The LATMD annual assessment rate is 1.5% of gross room rental revenue for lodging businesses with 50 or more rooms. Based on the benefit received, the following stays shall not be subject to assessment:

- (1) A stay for which it is beyond the power of the City to impose the assessment herein provided;
- (2) A stay by any Federal or State of California officer or employee, including employees of federal credit unions, who provides proof that he or she is on Federal or State business;
- (3) A stay by any officer or employee of a foreign government who is exempt by express provision of federal law or international treaty;
- (4) A stay by any person to whom rent is charged at the rate of \$2.00 per day or less;
- (5) A stay for which rent is paid from a fund administered by the Emergency Food and Shelter National Board Program;
- (6) Stays by airline crews;
- (7) Stays of more than thirty (30) consecutive days; and
- (8) Stays pursuant to contracts executed prior to commencement of the LATMD.

Bonds will not be issued.

B. Assessment Rationale

Hotel occupancy rates in Los Angeles have declined from 77.5% in 2007 to an estimated 66% in 2010. Visitation to Los Angeles has declined from 25.9 million visitors in 2007 to an estimated 24.2 million visitors in 2010. These declines in travel are caused by both the US economic recession and, more importantly, increased competition for conventions, meetings, and leisure travelers. Meanwhile, Los Angeles' major competitors have enacted tourism marketing district assessments and increased their sales and marketing efforts; among them San Diego has raised \$26 million and San Francisco has raised \$23 million. The City of Anaheim approved a 2% tourism marketing district assessment, which will provide an estimated \$9.5 million in additional funds for Anaheim sales and marketing efforts. Currently, 54 destinations throughout California have tourism marketing districts.

In order to reverse the decline in visitors and occupancy and compete with other destinations, the LATMD hotel steering committee has conducted an analysis of programs necessary to adequately market Los Angeles lodging businesses with fifty or more rooms. Based on Los Angeles' competitive set and the costs of sales and marketing programs, the LATMD hotel steering committee has developed a comprehensive sales and marketing plan. The cost for that comprehensive marketing plan to be effective is at least \$11.5 million in the first year, and the amount needed to remain effective is expected to increase over time. To raise a minimum of \$11.5 million it is necessary to levy an assessment of 1.5% of gross room rental revenue on lodging businesses with fifty or more rooms. Lodging businesses with fewer than fifty rooms will receive no benefit from the programs and services funded by the LATMD assessment. The 1.5% assessment rate was determined based on the need for \$11.5 million to effectively market lodging businesses

with fifty or more rooms. It is anticipated that the costs of the programs will increase during the operation of the LATMD at a rate of approximately three percent per year.

C. Determination of Special Benefit

State law provides that LATMD funds must be used to create a special benefit for the assessed lodging businesses with fifty or more rooms. A special benefit is defined as a particular and distinct benefit over and above general benefits conferred on the public at large which is not indirect or derivative.

The improvements and activities detailed in this Management District Plan are provided for the special benefit of assessed lodging businesses with fifty or more rooms within the LATMD boundaries, and provide special benefit solely to assessed lodging businesses with fifty or more rooms. Inasmuch as all services will be provided to lodging businesses with fifty or more rooms within the LATMD boundaries, any potential general benefits are intangible and not quantifiable.

All benefits derived from the assessments described in this Management District Plan are from services directly benefitting lodging businesses with fifty or more rooms within this specialized district, and support increased room rental revenue for assessed lodging businesses with fifty or more rooms. All services are provided solely to lodging businesses with fifty or more rooms within the district, to increase their room rental revenue, and are designed only for the direct special benefit of the assessed lodging businesses with fifty or more rooms within the LATMD. LATMD funds will not be used to provide services to non-assessed lodging businesses inside or outside of the LATMD boundaries. Services which will benefit all assessed lodging businesses with fifty or more rooms will include exclusive listings on websites, brochures and other materials created with LATMD funds, group sales efforts promoting only assessed lodging businesses with fifty or more rooms, and dedicated sales directors marketing only assessed lodging businesses with fifty or more rooms. All services provided with LATMD funds will be designed to benefit each assessed lodging business with fifty or more rooms in proportion to the amount of assessment paid by each business.

The district and assesseees have been narrowly drawn to target only those businesses that will receive benefit from the proposed LATMD services. The programs funded by the LATMD assessment will not provide benefits to non-assessed lodging businesses within the LATMD boundaries with fewer than fifty rooms. Lodging businesses with fewer than fifty rooms will not be marketed with LATMD funds, will not be listed on any website or other listing funded by the LATMD, will not receive sales leads generated through LATMD funded activities, and will not be included in any other LATMD assessment funded activity.

There are several reasons lodging businesses with fewer than fifty rooms will not benefit from LATMD programs. Smaller lodging businesses tend to serve the local transient population, rather than the tourist population LATMD marketing programs will aim at attracting. Smaller lodging businesses are typically not tourist-serving businesses, nor do they tend to be affiliated with national brands, instead they have on-site management. Smaller lodging businesses' clientele tends to be more based on local demand, including proximity to Los Angeles residents being visited and not reliant on regional or national marketing programs like those funded by the LATMD. Smaller lodging businesses tend to have more walk-up business, and not have a website, toll-free telephone number, or centralized reservation systems that would benefit from LATMD activities. The vast majority of these smaller lodging businesses also do not have online booking capabilities and are not featured on travel booking websites like Travelocity, Expedia and Orbitz.

Stays not assessed pursuant to Article VI, Section A, are not assessed because they also do not benefit from the services provided. Marketing services are aimed at attracting tourists, rather than stays of the types listed in Article VI, Section A. The type of stay being promoted by the LATMD will not include those not assessed pursuant to Article VI, Section A.

State law also provides that the special benefits derived from the assessment must be conferred in proportion to the assessment paid by each beneficiary. For the LATMD, this means that each assessed lodging businesses with fifty or more rooms must receive services with a value proportional to the amount of assessment paid. Because the purpose of the LATMD funded programs is to increase room rental revenue at assessed lodging businesses with fifty or more rooms, it is appropriate that the assessment be levied based on room rental revenue. Because the assessment is based on room rental revenue, each lodging business with fifty or more rooms will pay an amount proportional to the benefit it receives. Allocation of assessments is based on the benefit provided to individual businesses. Businesses which will receive more room nights and room nights with higher pricing will pay proportionately more than those receiving less room nights at lower pricing. Assessments have not been tied to the cost of services but rather to the benefit provided by the proposed LATMD services.

D. Time and Manner for Collecting Assessments

The LATMD assessment will be implemented beginning April 1, 2011 and will continue for five (5) years. The Los Angeles City Clerk will be responsible for overseeing collection of the assessment. The assessment shall be collected on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the LATMD. The City shall take all reasonable efforts to collect the assessments and any delinquencies, penalties and interest from each lodging business. The City Clerk or its designee may audit the hotels. The City shall forward the assessments, including any delinquencies, penalties and interest, to the owner's association which will be responsible for managing LATMD programs as provided in this Management District Plan.

E. Penalties and Interest

1. Collection. The City of Los Angeles will be responsible for collecting any delinquent assessments, including penalties and interest, and forwarding them to the owners' association. The LATMD shall reimburse the City for any costs associated with collecting unpaid assessments. If unpaid assessments are collected in conjunction with other delinquencies, the LATMD shall reimburse the City of Los Angeles for only that portion of the cost of collection attributable to the delinquent LATMD assessment.

2. Original Delinquency. Any business which fails to remit the LATMD assessment within the time required shall pay a penalty of 5% of the amount of the assessment in addition to the amount of the assessment.

3. Continued Delinquency. Any business which fails to pay any delinquent assessment on or before the last day of:

(i) The first month in which the assessment first became delinquent, shall pay a second penalty of 5% of the amount of the assessment in addition to the amount of the assessment and the 5% penalty first imposed;

(ii) The second month in which the assessment first became delinquent shall pay a third penalty of 5% of the amount of the assessment in addition to the amount of the assessment and the 10% in accumulated penalties previously imposed;

(iii) The third month in which the assessment first became delinquent shall pay a fourth penalty of 5% of the amount of the assessment in addition to the amount of the assessment and the 15% in accumulated penalties previously imposed.

(iv) The fourth month in which the assessment first became delinquent shall pay a fifth penalty of 20% of the amount of the assessment in addition to the amount of the assessment and the 20% in accumulated penalties previously imposed.

4. **Maximum.** The penalty amount to be added shall not exceed 40% of the base assessment amount.

F. Service Plan Budget and Programs to be Provided

Service Plan Budget Summary - Calendar Years 2011 - 2015

A summary of the annual service plan budget for the LATMD is provided on the following pages. The total five year improvement and service plan budget is projected at approximately \$11,500,000 in year one, \$11,845,000 in year two, \$12,200,350 in year three, \$12,566,360.50 in year four, and \$12,943,351.33 in year five; or a total of \$61,055,061.82 through 2015.

G. Annual Service Plan

A service plan budget has been developed to deliver services throughout the District. An annual service plan and budget will be developed and approved by the owner's association. Please see the budget exhibit below. In the initial year of operation, the City of Los Angeles will be reimbursed for costs incurred to set up collection procedures in an amount not to exceed \$35,000. Any reimbursement to the City of Los Angeles for set up costs shall be taken from the budget categories on a pro-rata basis. If there are funds remaining at the end of the District term and lodging businesses with 50 or more rooms choose to renew, these remaining funds could be transferred to the renewed District. If there are funds remaining at the end of the District and lodging businesses with 50 or more rooms choose not to renew, any remaining funds will either be spent consistent with this Plan or returned to the assessed businesses in proportion to the assessment paid by each business.

H. Adjustments

1. **Less than ten percent.** The owner's association has full authority to manage expenditures consistent with this Plan. Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget below shall remain the same. The owner's association shall have the authority to adjust the budget line item allocations by up to ten percent (10%) annually, subject to approval by the Los Angeles City Clerk. Adjustments made by the owner's association shall not exceed ten percent (10%) of the total annual budget for all services

2. **More than ten percent.** Any adjustments in excess of 10% of the annual budget must be made by the Los Angeles City Council. Any significant changes to program activities must also be approved by the Los Angeles City Council and may require modification of this Management District Plan.

I. Annual Budget

Based on preliminary estimates of generating \$11,500,000 in the first year through the LATMD assessment, and an increase thereafter of three percent per year, the percentage allocation of funds, as prescribed through the LATMD marketing plan, shall be as below.

**Los Angeles Tourism Marketing District
Annual Budget
Years One – Five (2011-2015)**

SERVICE	%	\$ 2011	\$ 2012	\$ 2013	\$ 2014	\$ 2015
Marketing	71%	\$8,165,000	\$8,409,950	\$8,662,248.5	\$8,922,116	\$9,189,779.5
Sales	20%	\$2,300,000	\$2,369,000	\$2,440,070	\$2,513,272.1	\$2,588,670.22
Administration	3%	\$345,000	\$355,350	\$366,010.5	\$376,990.80	\$388,300.54
City Administration	1%	\$115,000	\$118,450	\$122,003.5	\$125,663.60	\$129,433.51
Contingency and Renewal	5%	\$575,000	\$592,250	\$610,017.5	\$628,318.00	\$647,167.57
Totals	100%	\$11,500,000	\$11,845,000	\$12,200,350	\$12,566,360.5	\$12,943,351.33

The owner's association shall have authority to adjust the budget allocations subject to approval by the City Clerk, as described in Section VI, paragraph H, above.

Marketing and Sales Programs

The assessment imposed by this district is for a specific benefit conferred directly to the payors, lodging businesses with fifty or more rooms, that is not provided to those not charged. The specific benefit conferred directly to the payors, lodging businesses with fifty or more rooms, is an increase in room night sales. The specific benefit of an increase in room night sales for assessed lodging businesses will be provided only to those lodging businesses with fifty or more rooms paying the district assessment, with marketing and sales programs promoting only those lodging businesses with fifty or more rooms paying the district assessment. The marketing and sales programs will be designed to increase room night sales at each assessed lodging businesses with fifty or more rooms. The marketing and sales programs will provide the following activities which are designed to create a specific benefit for each lodging businesses with fifty or more rooms paying the district assessment. These activities may include, but are not limited to the following:

- Sales and Client Service Activities to increase room night sales for the specific benefit of each assessed lodging businesses with 50 or more rooms, including but not limited to:
 - Sales and services staff deployed to sell Los Angeles with emphasis on its regions and the assessed lodging businesses within each region. Lodging businesses with less than fifty rooms that do not pay the LATMD assessment will not be served by sales and services staff;
 - Development of new business for both self-contained individual hotel meetings and city-wide conventions which will generate an increase in room night sales at assessed lodging businesses with fifty or more rooms. Lodging businesses with less than fifty rooms that do not pay the LATMD assessment will not receive any leads generated by LATMD-funded new business development, nor will LATMD funds be used to promote any

lodging business not paying the assessment in connection with any convention that results from new business development efforts;

- Pre and post meeting support to self-contained groups which work to generate room night sales at assessed lodging businesses with fifty or more rooms. LATMD staff will work with meeting planners to match their specific lodging needs with an LATMD lodging business(es) that meets their criteria and
 - Provide staffing, including sales directors and managers for group meetings and conventions which will generate room night sales for assessed lodging businesses with fifty or more rooms. The staffing funded by the LATMD assessment will generate room night sales for only assessed lodging businesses with fifty or more rooms. Lodging businesses that are not assessed by the LATMD will not receive services from the additional staff provided with LATMD funds.
- Marketing and promotions for the benefit of each assessed lodging businesses with 50 or more rooms. Marketing and promotions programs will be designed to provide the specific benefit of increased room night sales for each assessed lodging business with fifty or more rooms. Marketing and promotions programs will not be provided to lodging businesses which are not assessed by the LATMD. Marketing and promotions programs will include but are not limited to:
- Advertising assessed lodging businesses with fifty or more rooms directed to consumers and the meetings trade;
 - Development, marketing and maintenance of a website featuring assessed lodging businesses with fifty or more rooms. LATMD funds will not be used to promote any lodging businesses not paying the LATMD assessment on any such website.
 - Marketing and promotions programs designed to increase room night sales at lodging businesses with fifty or more rooms by driving traffic to the specific website promoting lodging businesses with fifty or more rooms;
 - Regional marketing programs designed to drive traffic to the website and staff which promote room night sales at assessed lodging businesses with fifty or more rooms, as well as driving traffic to those lodging businesses with fifty or more rooms paying the LATMD assessment;
 - A national branding campaign including print, radio, web, social media and television ads which are designed to drive traffic to the website and staff which promote room night sales at assessed businesses with fifty or more rooms ; and
 - Increased media reach and exposure for the website and staff which promote room night sales for only those lodging businesses with fifty or more rooms.

Administration Costs

Three percent of the budget, approximately \$345,000, shall be utilized for administrative costs associated with the sales and marketing programs. Administrative costs may include office space, telephone fees, salaries, insurance, and similar expenses.

City of Los Angeles Administration Costs

One percent of the budget, approximately \$115,000, shall be retained by the City of Los Angeles for its expenses in collecting and forwarding the assessment.

Contingency and Renewal

Five percent of the budget, approximately \$575,000, shall be retained in a contingency fund. The contingency fund may be used for the following purposes:

- Unanticipated or increased costs of programs provided for in this management plan;
- Differences between the amount of assessment collected and the amount expected to be collected; and
- The costs of renewing the district, if lodging businesses wish to renew the district upon its expiration.

Assessed Businesses

The LATMD will include all lodging businesses with fifty (50) rooms or more, existing and in the future, available for public occupancy within the boundaries of the City of Los Angeles. New lodging businesses with 50 or more rooms opening during the term of the district, and lodging businesses expanding to 50 or more rooms during the term of the district, will be assessed in the LATMD upon their expansion or opening. Lodging businesses with 50 or more rooms which reduce the number of rooms to less than fifty during the term of the district will cease to be assessed upon reduction of rooms to less than fifty.

VII. BID GOVERNANCE

A. Los Angeles Tourism Marketing District Governance

1. A non-profit corporation will serve as the Owners' Association for the LATMD.
2. The LATMD shall be managed by the nonprofit corporation referenced above. There shall be a minimum of eleven members on the initial Board of Directors of the corporation.
3. A minimum of one board member will be from a mid-size hotel with 50-75 rooms.
4. A minimum of three members of the Board of Directors shall be representatives of non-lodging businesses.
5. The majority of the Board of Directors will be representatives of assessed lodging businesses with fifty or more rooms.
6. Among the members of the LATMD Board of Directors, there shall be at least one, and no more than two representatives of an assessed lodging business with fifty or more rooms from each of the areas listed below. Each member of the Board may only represent one area. The boundaries of each area include those communities listed on Appendix 3.
 - a. Downtown/Mid-City
 - b. LAX
 - c. Hollywood
 - d. San Fernando Valley
 - e. Westside
 - f. Coastal

B. Brown Act and Public Records Act Compliance

The owners' association of a Tourism Marketing District is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the LATMD owners' association must be held in compliance with the public notice and other requirements of the Brown Act. The Owner's Association is also subject to the record keeping requirements of the California Public Records Act.

C. Annual Report

The LATMD shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1).

D. Auditing

The City of Los Angeles shall be allowed to review the financial records of the owners' association. A contract shall be entered into between the City and the owners' association. The contract will document the accounting processes including collections, allocations, and reporting required to be submitted to the City of Los Angeles. The LATMD will be responsible for any costs associated with audits.

The owners' association shall engage an independent certified public accountant to review financial statements to be submitted to the City Clerk.

APPENDIX 1 – THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

STREETS AND HIGHWAYS CODE

Division 18. Parking

*** THIS DOCUMENT IS CURRENT THROUGH 2009-2010 EXTRAORDINARY SESSIONS 1-5, ***
AND 7, AND URGENCY LEGISLATION THROUGH CH 4 OF THE 2010 REGULAR SESSION

§ 36600. Citation of part

This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

§ 36601. Legislative findings and declarations

The Legislature finds and declares all of the following:

(a) Businesses located and operating within the business districts of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of the business districts of its cities in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow cities to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that benefits from those improvements.

(d) Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities which confer special benefits upon the real property or businesses for which the improvements and activities are provided.

§ 36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within a business improvement area. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

§ 36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this

part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

§ 36603.5. Part prevails over conflicting provisions

Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.

§ 36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

§ 36605. [Section repealed 2001.]

§ 36606. "Assessment"

"Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the properties or businesses located within a property and business improvement district.

§ 36607. "Business"

"Business" means all types of businesses and includes financial institutions and professions.

§ 36608. "City"

"City" means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with *Section 6500*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*, the public member agencies of which includes only cities, counties, or a city and county.

§ 36609. "City council"

"City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

§ 36610. "Improvement"

"Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

§ 36611. "Property and business improvement district"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

§ 36612. "Property"

"Property" means real property situated within a district.

§ 36613. "Activities"

"Activities" means, but is not limited to, all of the following:

- (a) Promotion of public events which benefit businesses or real property in the district.
- (b) Furnishing of music in any public place within the district.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Activities which benefit businesses and real property located in the district.

§ 36614. "Management district plan"; "Plan"

"Management district plan" or "plan" means a proposal as defined in Section 36622.

§ 36614.5. "Owners' association"

"Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of *Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the district.

§ 36615. "Property owner"; "Owner"

"Property owner" or "owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. The city council has no obligation to obtain other information as to the ownership of land, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this subdivision requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient.

§ 36616. "Tenant"

"Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

§ 36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with *Section 36500*) of this division) is valid and effective and is unaffected by this part.

§ 36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

§ 36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

§ 36621. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

§ 36622. Contents of management district plan

The management district plan shall contain all of the following:

(a) A map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and businesses included. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof, including operation and maintenance. The plan may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.

(l) Any other item or matter required to be incorporated therein by the city council.

§ 36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with *Section 53753 of the Government Code*.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with *Section 54954.6 of the Government Code*,

except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business. A written protest which does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners of businesses in the proposed district which will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

§ 36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements or activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

§ 36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish the proposed property and business improvement district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties or businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements and activities funded by the assessments proposed to be levied.

(b) The adoption of the resolution of formation and recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

§ 36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 36625, but need not contain information about the preliminary resolution if none has been adopted.

§ 36626.5. [Section repealed 1999.]

§ 36626.6. [Section repealed 1999.]

§ 36626.7. [Section repealed 1999.]

§ 36627. Notice and assessment diagram

Following adoption of the resolution establishing the district pursuant to Section 36625 or 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. If the assessment is levied on businesses, the text of the recorded notice shall be modified to reflect that the assessment will be levied on businesses, or specified categories of businesses, within the area of the district. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

§ 36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based

upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

§ 36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements and activities.

§ 36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a parking and business improvement area.

§ 36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and a new district established pursuant to this part.

§ 36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution establishing the management district plan described in Section 36622. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties.

§ 36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

§ 36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

§ 36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

§ 36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

§ 36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention; Modification of improvements and activities by adoption of resolution after public hearing

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623 . Notice of all other public meetings and public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public meeting.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public meeting, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

§ 36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

§ 36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with *Section 6584*) of *Chapter 5 of Division 7 of Title 1 of the Government Code*). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

§ 36641. [Section repealed 2001.]

§ 36642. [Section repealed 2001.]

§ 36643. [Section repealed 2001.]

§ 36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement 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 information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

§ 36651. Designation of owners' association to provide improvements and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements or activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

§ 36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

§ 36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners of real property or of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

§ 36671. Refund of remaining revenues upon disestablishment of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – LODGING BUSINESSES WITH 50 OR MORE ROOMS TO BE ASSESSED WITHIN THE LATMD

Region Key: SF-San Fernando Valley Region, D-Downtown Mid-City Region, H-Hollywood
Region, C-Coastal Region, L-LAX Region

KEY	Name	Address	City	State	ZIP	Zone
1	Sheraton Universal	333 Universal Hollywood Dr	Universal City	CA	91608	SF
2	Hilton Los Angeles/Universal City	555 Universal Hollywood Dr	Universal City	CA	91608	SF
3	Best Western Mikado	12600 Riverside Dr	North Hollywood	CA	91607	SF
4	Studio Lodge	11254 Vanowen St	North Hollywood	CA	91605	SF
5	Days Inn	12933 Ventura Blvd	Studio City	CA	91604	SF
6	Sportsmen's Lodge Hotel	12825 Ventura Blvd	Studio City	CA	91604	SF
7	Beverly Garlands Holiday Inn at USH	4222 Vineland Ave	North Hollywood	CA	91602	SF
8	Voyager Motor Inn	6500 Sepulveda Blvd	Van Nuys	CA	91411	SF
9	Best Western Carriage Inn	5525 Sepulveda Blvd	Van Nuys	CA	91411	SF
10	Airtel Plaza Hotel & Conference Center	7277 Valjean Ave	Van Nuys	CA	91406	SF
11	Holiday Inn Express Van Nuys	8244 Orion Ave	Van Nuys	CA	91406	SF
12	Best Value Van Nuys	13561 Sherman Way	Van Nuys	CA	91405	SF
13	Travelodge	6909 Sepulveda Blvd	Van Nuys	CA	91405	SF
14	Radisson Valley Center Hotel Los Angeles	15433 Ventura Blvd	Sherman Oaks	CA	91403	SF
15	Heritage Motels	15485 Ventura Blvd	Sherman Oaks	CA	91403	SF
16	Panorama Motel	8209 Sepulveda Blvd	Panorama City	CA	91402	SF
17	Hilton Woodland Hills & Towers	6360 Canoga Ave	Woodland Hills	CA	91367	SF
18	Warner Center Marriott Hotel	21850 Oxnard St	Woodland Hills	CA	91367	SF
19	Aku Aku Motor Inn	21830 Ventura Blvd	Woodland Hills	CA	91364	SF
20	Holiday Inn Woodland Hills	21101 Ventura Blvd	Woodland Hills	CA	91364	SF
21	Comfort Inn (formerly Vagabond Inn)	20157 Ventura Blvd	Woodland Hills	CA	91364	SF
22	Extended Stay America	20205 Ventura Blvd	Woodland Hills	CA	91364	SF
23	St George Motor Inn Inc	19454 Ventura Blvd	Tarzana	CA	91356	SF
24	Mission Hills Inn	10621 Sepulveda Blvd	Mission Hills	CA	91345	SF
25	Travel Inn	8525 Sepulveda Blvd	North Hills	CA	91343	SF

KEY	Name	Address	City	State	ZIP	Zone
26	Econo Motor Inn of North Hills	8647 Sepulveda Blvd	North Hills	CA	91343	SF
27	Budget Inn	9151 Sepulveda Blvd	North Hills	CA	91343	SF
28	Motel 6	15711 Roscoe Blvd	North Hills	CA	91343	SF
29	Best Western (formerly Hiway Host Motor Inn)	8424 Sepulveda Blvd	North Hills	CA	91343	SF
30	Super 8	14955 Roxford St	Sylmar	CA	91342	SF
31	Motel 6	12775 Encinitas Ave	Sylmar	CA	91342	SF
32	Good-Nite Inn	12835 Encinitas Ave	Sylmar	CA	91342	SF
33	Howard Johnson	7432 Reseda Blvd	Reseda	CA	91335	SF
34	Ramada Inn	21340 Devonshire St	Chatsworth	CA	91311	SF
35	7 Star Suites Hotel	21603 Devonshire St	Chatsworth	CA	91311	SF
36	Staybridge Suites Chatsworth	21902 Lassen St	Chatsworth	CA	91311	SF
37	Radisson Chatsworth Hotel	9777 Topanga Canyon Blvd	Chatsworth	CA	91311	SF
38	Alexander Hotel	20200 Sherman Way	Canoga Park	CA	91306	SF
39	Days Inn	20128 Roscoe Blvd	Winnetka	CA	91306	SF
40	Super 8	7631 Topanga Canyon Blvd	Canoga Park	CA	91304	SF
41	Motel 6	7132 De Soto Ave	Canoga Park	CA	91303	SF
42	Best Western Los Angeles Worldport	1402 Pacific Coast Hwy	Wilmington	CA	90744	C
43	Holiday Inn San Pedro	111 S Gaffey St	San Pedro	CA	90731	C
44	Vagabond Inn	215 S Gaffey St	San Pedro	CA	90731	C
45	Crowne Plaza Los Angeles Harbor Hotel	601 S Palos Verdes St	San Pedro	CA	90731	C
46	Best Western Sunrise Ports of Call Hotel	525 S Harbor Blvd	San Pedro	CA	90731	C
47	Doubletree Hotel San Pedro	2800 Via Cabrillo Marina	San Pedro	CA	90731	C
48	Holiday Inn Express	737 Washington Blvd	Marina Del Rey	CA	90292	C
49	Courtyard By Marriott-Marina Del Rey	13480 Maxella Ave	Marina Del Rey	CA	90292	C
50	Jolly Roger Hotel	2904 Washington Blvd	Venice	CA	90292	C
51	Best Western Marina Pacific Hotel & Suites	1697 Pacific Ave	Venice	CA	90291	C
52	Cadillac Hotel, The	8 Dudley Ave	Venice	CA	90291	C
53	Hotel Bel-Air	701 Stone Canyon Rd	Los Angeles	CA	90077	W
54	Standard, Downtown LA, The	550 S Flower St	Los Angeles	CA	90071	D
55	Los Angeles Marriott Downtown	333 S Figueroa St	Los Angeles	CA	90071	D
56	Westin Bonaventure Hotel & Suites	404 S Figueroa St	Los Angeles	CA	90071	D
57	Hilton Checkers Hotel	535 S Grand Ave	Los Angeles	CA	90071	D
58	Millenium Biltmore Hotel	506 S Grand Ave	Los Angeles	CA	90071	D
59	Best Western Hollywood Plaza Inn	2011 N Highland Ave	Hollywood	CA	90068	H

KEY	Name	Address	City	State	ZIP	Zone
60	Hollywood Heights Hotel	2005 N Highland Ave	Hollywood	CA	90068	H
61	Oakwood Apartments-Toluca Hills	3600 Barham Blvd	Los Angeles	CA	90068	SF
62	Holiday Inn Express Hotel & Suites	1921 N Highland Ave	Los Angeles	CA	90068	H
63	Century Plaza Hotel and Spa, The	2025 Ave of The Stars	Los Angeles	CA	90067	W
64	Intercontinental Los Angeles at Century City	2151 Ave of The Stars	Los Angeles	CA	90067	W
65	Courtyard By Marriott-Century City/Beverly Hills	10320 W Olympic Blvd	Los Angeles	CA	90064	W
66	Best Western Royal Palace	2528 S Sepulveda Blvd	Los Angeles	CA	90064	W
67	Wilshire Royale Howard Johnson Plaza Hotel & Suites	2619 Wilshire Blvd	Los Angeles	CA	90057	D
68	Ramada Inn- Los Angeles Downtown	611 S Westlake Ave	Los Angeles	CA	90057	D
69	Luxe Hotel Sunset Boulevard	11461 W Sunset Blvd	Los Angeles	CA	90049	W
70	Hotel Angeleno	170 N Church Ln	Los Angeles	CA	90049	W
71	Hotel Sofitel	8555 Beverly Blvd	Los Angeles	CA	90048	W
72	Four Seasons LA at Beverly Hills	300 S Doheny Dr	Los Angeles	CA	90048	W
73	SLS at Beverly Hills	465 S La Cienega Blvd	Los Angeles	CA	90048	W
74	The Orlando	8384 W 3rd St	Los Angeles	CA	90048	W
75	Beverly Laurel Motor Hotel	8018 Beverly Blvd	Los Angeles	CA	90048	W
76	Chateau Marmont	8221 W Sunset Blvd	Los Angeles	CA	90046	H
77	Saharan Motor Hotel	7212 W Sunset Blvd	Los Angeles	CA	90046	H
78	Crowne Plaza Los Angeles Airport	5985 W Century Blvd	Los Angeles	CA	90045	L
79	Radisson Hotel at Los Angeles Airport	6225 W Century Blvd	Los Angeles	CA	90045	L
80	Courtyard By Marriott-LAX/Century Blvd.	6161 Century Blvd	Los Angeles	CA	90045	L
81	Extended Stay America	6531 S Sepulveda Blvd	Los Angeles	CA	90045	L
82	Custom Hotel	8601 Lincoln Blvd	Los Angeles	CA	90045	L
83	Howard Johnson LAX	8620 Airport Blvd	Los Angeles	CA	90045	L
84	Super 8	9250 Airport Blvd	Los Angeles	CA	90045	L
85	Sheraton Gateway LAX	6101 W Century Blvd	Los Angeles	CA	90045	L
86	Renaissance Los Angeles Airport Hotel	9620 Airport Blvd	Los Angeles	CA	90045	L
87	Four Points Hotel Los Angeles	9750 Airport Blvd	Los Angeles	CA	90045	L
88	Embassy Suites LAX North	9801 Airport Blvd	Los Angeles	CA	90045	L
89	Los Angeles Airport Marriott	5855 W Century Blvd	Los Angeles	CA	90045	L
90	Hilton Los Angeles Airport	5711 W Century Blvd	Los Angeles	CA	90045	L
91	Travelodge Hotel at LAX	5547 W Century Blvd	Los Angeles	CA	90045	L
92	Holiday Inn Lax	9901 S La Cienega Blvd	Los Angeles	CA	90045	L

KEY	Name	Address	City	State	ZIP	Zone
93	La Quinta Inn and Suites at LAX	5249 W Century Blvd	Los Angeles	CA	90045	L
94	Westin Los Angeles Airport	5400 W Century Blvd	Los Angeles	CA	90045	L
95	Best Western Eagle Rock Inn	2911 Colorado Blvd	Los Angeles	CA	90041	D
96	Comfort Inn - Eaglerock	2300 Colorado Blvd	Los Angeles	CA	90041	D
97	Vagabond Inn Executive Hollywood	1133 Vine St	Los Angeles	CA	90038	H
98	Farmer's Daughter Motor Hotel	115 S Fairfax Ave	Los Angeles	CA	90036	W
99	Best Motel	5350 W Olympic Blvd	Los Angeles	CA	90036	D
100	Crowne Plaza Beverly Hills	1150 S Beverly Dr	Los Angeles	CA	90035	W
101	Residence Inn by Marriott- Beverly Hills	1177 S Beverly Dr	Los Angeles	CA	90035	W
102	Super 8 Motel	5350 Huntington Dr S	Los Angeles	CA	90032	D
103	Hollywood Hotel (formerly Ramada)	1160 N Vermont Ave	Los Angeles	CA	90029	H
104	Renaissance Hollywood Hotel	1755 N Highland Ave	Hollywood	CA	90028	H
105	Holiday Inn Express	1520 North La Brea Ave	Hollywood	CA	90028	H
106	Best Western Hollywood Hills	6141 Franklin Ave	Hollywood	CA	90028	H
107	Roosevelt Hotel- Hollywood	7000 Hollywood Blvd	Hollywood	CA	90028	H
108	Hollywood Metropolitan Hotel	5825 W Sunset Blvd	Hollywood	CA	90028	H
109	Retan Hotel	1732 Whitley Ave	Los Angeles	CA	90028	H
110	Motel 6 Hollywood	1738 Whitley Ave	Los Angeles	CA	90028	H
111	Days Inn Hollywood	7023 W Sunset Blvd	Los Angeles	CA	90028	H
112	Dunes Sunset Motel	5625 W Sunset Blvd	Los Angeles	CA	90028	H
113	Highland Gardens Hotel	7047 Franklin Ave	Los Angeles	CA	90028	H
114	The W Hotel	6250 Hollywood Blvd	Los Angeles	CA	90028	H
115	Super 8 Motel- Hollywood	1536 N Western Ave	Hollywood	CA	90027	D
116	Hollywood Travelodge	1401 N Vermont Ave	Hollywood	CA	90027	H
117	Coral Sands Hotel	1730 N Western Ave	Los Angeles	CA	90027	H
118	Days Inn	5410 Hollywood Blvd	Los Angeles	CA	90027	H
119	Hollywood Inn Express	5131 Hollywood Blvd	Los Angeles	CA	90027	H
120	Hollywood Inn Express South	141 N Alvarado St	Los Angeles	CA	90026	D
121	Holiday Inn Express West Los angeles	11250 Santa Monica Blvd	Los Angeles	CA	90025	W
122	Travelodge	10740 Santa Monica Blvd	Los Angeles	CA	90025	W
123	Hilgard House- Westwood Village	927 Hilgard Ave	Los Angeles	CA	90024	W
124	Claremont Hotel	1044 Tiverton Ave	Los Angeles	CA	90024	W
125	W Los Angeles-Westwood	930 Hilgard Ave	Los Angeles	CA	90024	W
126	Hotel Palomar Westwood	10740 Wilshire Blvd	Los Angeles	CA	90024	W
127	Hotel Del Capri	10587 Wilshire Blvd	Los Angeles	CA	90024	W

KEY	Name	Address	City	State	ZIP	Zone
128	Beverly Hills Plaza Hotel	10300 Wilshire Blvd	Los Angeles	CA	90024	W
129	Econo Lodge - Wilshire	3400 W 3rd St	Los Angeles	CA	90020	D
130	Rotex Hotel	3411 W Olympic Blvd	Los Angeles	CA	90019	D
131	Comfort Inn Downtown Los Angeles	1710 W 7th St	Los Angeles	CA	90017	D
132	Best Western Mayfair, The	1256 W 7th St	Los Angeles	CA	90017	D
133	America's Best Value Inn (formerly Motel De Ville)	1123 W 7th St	Los Angeles	CA	90017	D
134	Wilshire Grand Hotel & Centre	930 Wilshire Blvd	Los Angeles	CA	90017	D
135	Sheraton Los Angeles Downtown	711 S Hope St	Los Angeles	CA	90017	D
136	Ritz Milner Hotel	813 S Flower St	Los Angeles	CA	90017	D
137	O Hotel	819 S Flower St	Los Angeles	CA	90017	D
138	Stillwell Hotel	838 S Grand Ave	Los Angeles	CA	90017	D
139	Figueroa Hotel	939 S Figueroa St	Los Angeles	CA	90015	D
140	Luxe City Center Hotel	1020 S Figueroa St	Los Angeles	CA	90015	D
141	JW Marriott Los Angeles	900 West Olympic Blvd	Los Angeles	CA	90015	D
142	The Ritz Carlton	710 West Olympic Blvd	Los Angeles	CA	90015	D
143	Los Angeles Athletic Club	431 W 7th St	Los Angeles	CA	90014	D
144	Hotel Cecil	640 S Main St	Los Angeles	CA	90014	D
145	Metro Plaza Hotel	711 N Main St	Los Angeles	CA	90012	D
146	Best Western Dragon Gate Inn	818 N Hill St	Los Angeles	CA	90012	D
147	Omni Los Angeles Hotel	251 S Olive St	Los Angeles	CA	90012	D
148	Kawada Hotel	200 S Hill St	Los Angeles	CA	90012	D
149	Kyoto Grand Hotel & Gardens	120 S Los Angeles St	Los Angeles	CA	90012	D
150	Miyako Inns & Spa	312 E 1st St	Los Angeles	CA	90012	D
151	Wilshire Plaza Hotel Los Angeles	3515 Wilshire Blvd	Los Angeles	CA	90010	D
152	Ramada Inn	3900 Wilshire Blvd	Los Angeles	CA	90010	D
153	Dunes Wilshire Motor Hotel	4300 Wilshire Blvd	Los Angeles	CA	90010	D
154	Vagabond Inn Figueroa	3101 S Figueroa St	Los Angeles	CA	90007	D
155	Radisson Hotel USC Los Angeles	3540 S Figueroa St	Los Angeles	CA	90007	D
156	Ramada Inn (formerly Eastern Hotel/Clarion)	1903 Olympic Blvd	Los Angeles	CA	90006	D
157	Rodeway Inn LACC HOTEL	1904 W Olympic Blvd	Los Angeles	CA	90006	D
158	Best Western Mid- Wilshire Plaza Hotel	603 S New Hampshire Ave	Los Angeles	CA	90005	D
159	JJ Grand (formerly Seoul Palace Hotel)	620 S Harvard Blvd	Los Angeles	CA	90005	D
160	Oxford Palace Hotel	745 S Oxford Ave	Los Angeles	CA	90005	D
161	Holiday Inn Express	250 Silver Lake Blvd	Los Angeles	CA	90004	D

APPENDIX 3 – BOUNDARIES OF AREAS FOR BOARD MEMBER SELECTION

Each area includes the communities below. For community boundaries, see the map on page 7.

San Fernando Valley

Arleta
Canoga Park
Chatsworth
Encino
Granada Hills
Lake Balboa
Lakeview Terrace
Mission Hills
North Hills
North Hollywood
Northridge
Pacoima
Panorama City
Porter Ranch
Reseda
Shadow Hills
Sherman Oaks
Studio City
Sun Valley
Sunland
Sylmar
Tarzana
Tujunga
Valley Glen
Valley Village
Van Nuys
West Hills
Winnetka
Woodland Hills

Hollywood

Atwater Village
Griffith Park/Los Feliz
Hollywood
Silver Lake
Toluca Lake

LAX

Crenshaw
Hyde Park
Leimert Park
Mar Vista
Palms
Sawtelle
South Los Angeles
West Adams
Westchester/LAX

Coastal

Harbor City
Harbor Gateway
Pacific Palisades
Playa Del Rey
Playa Vista
San Pedro
Terminal Island
Venice
Wilmington

Westside

Bel-Air
Beverly Crest
Brentwood
Century City
Mid-City West
West Los Angeles
Westwood

Downtown/Mid-City

Boyle Heights
Central City
Central City East
China Town
Cypress Park
Eagle Rock
Echo Park
El Sereno
Elysian Park
Glassell Park
Highland Park
Jefferson Park
Korea Town
Lincoln Heights
Mid-City
Mid-Wilshire
Montecito Heights
Mount Washington
Pico-Union
Southeast Los Angeles
Watts
Westlake
Wilshire Center

LOS ANGELES TOURISM MARKETING DISTRICT

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SERVICES DIVISION

ENGINEER'S REPORT

*Formed Pursuant to the Property and Business Improvement District Act of 1994
Streets and Highways Code section 36600 et seq.*

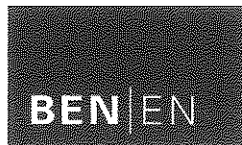
April 1, 2011 to March 31, 2016

Prepared by



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(800)999-7781

and



TRUSTED ENGINEERING ADVISORS

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Principal Orin Bennett, PE
(916)783-4100

LOS ANGELES
TOURISM MARKETING DISTRICT

ENGINEER'S REPORT

TABLE OF CONTENTS

I.	LOS ANGELES TOURISM MARKETING DISTRICT DESCRIPTION	1
II.	DISTRICT BOUNDARIES	2
III.	LATMD ASSESSMENT FORMULA.....	6
IV.	LATMD SERVICE PLAN COST ESTIMATE.....	10
V.	CERTIFICATION	11

I. LOS ANGELES TOURISM MARKETING DISTRICT DESCRIPTION

Developed by City of Los Angeles hotels and motels, the Los Angeles Tourism Marketing District (LATMD) is a benefit assessment district formed to help fund marketing and sales promotion efforts for lodging businesses with fifty or more rooms located within the City of Los Angeles. This approach has been used successfully in other destination areas throughout the country to improve tourism and drive additional room nights.

Location: The LATMD includes all lodging businesses with fifty (50) rooms or more located within the boundaries of the City of Los Angeles.

Services: Marketing and sales promotions to increase tourism and to market Los Angeles as a tourist, meeting and event destination, and to increase gross room rental revenue for specific benefit of assessed lodging businesses with 50 or more rooms. These services are supplemental to those provided by the City of Los Angeles pursuant to existing contracts with non-profit corporations.

Budget: The total LATMD annual budget for the initial year of operation is anticipated to be \$11,500,000. The annual budget is anticipated to increase by approximately three percent per year.

Cost: Annual assessment rates are 1.5% of gross room rental revenue on lodging businesses with 50 or more rooms. Based on the benefit received, certain stays shall not be subject to assessment as described in the Assessment Formula section of this report.

Formation: LATMD formation requires submittal of petitions from lodging businesses representing more than 50% of the total annual assessment followed by a City Council hearing and an opportunity for a written protest. The assessed lodging business owners will receive notice of the public hearing by mail. If there is a majority written protest, the tourism marketing district will not be formed.

Duration: The LATMD will have a five (5) year life. The LATMD assessment will be implemented beginning April 1, 2011. Once per year beginning on the anniversary of the formation of the district there is a 30-day period in which owners paying more than 50% of the assessment may protest and terminate the District.

II. DISTRICT BOUNDARIES

The LATMD will include all lodging businesses with fifty (50) rooms or more, existing and in the future, available for public occupancy within the boundaries of the City of Los Angeles. New lodging businesses with 50 or more rooms opening during the term of the District, and lodging businesses expanding to 50 or more rooms during the term of the District, will be assessed in the LATMD upon their expansion or opening. Lodging businesses with 50 or more rooms which reduce the number of rooms to less than fifty during the term of the District will cease to be assessed upon reduction of rooms to less than fifty.

The boundary is estimated to include approximately 161 lodging businesses with 50 or more rooms. Please see the map on page 6.

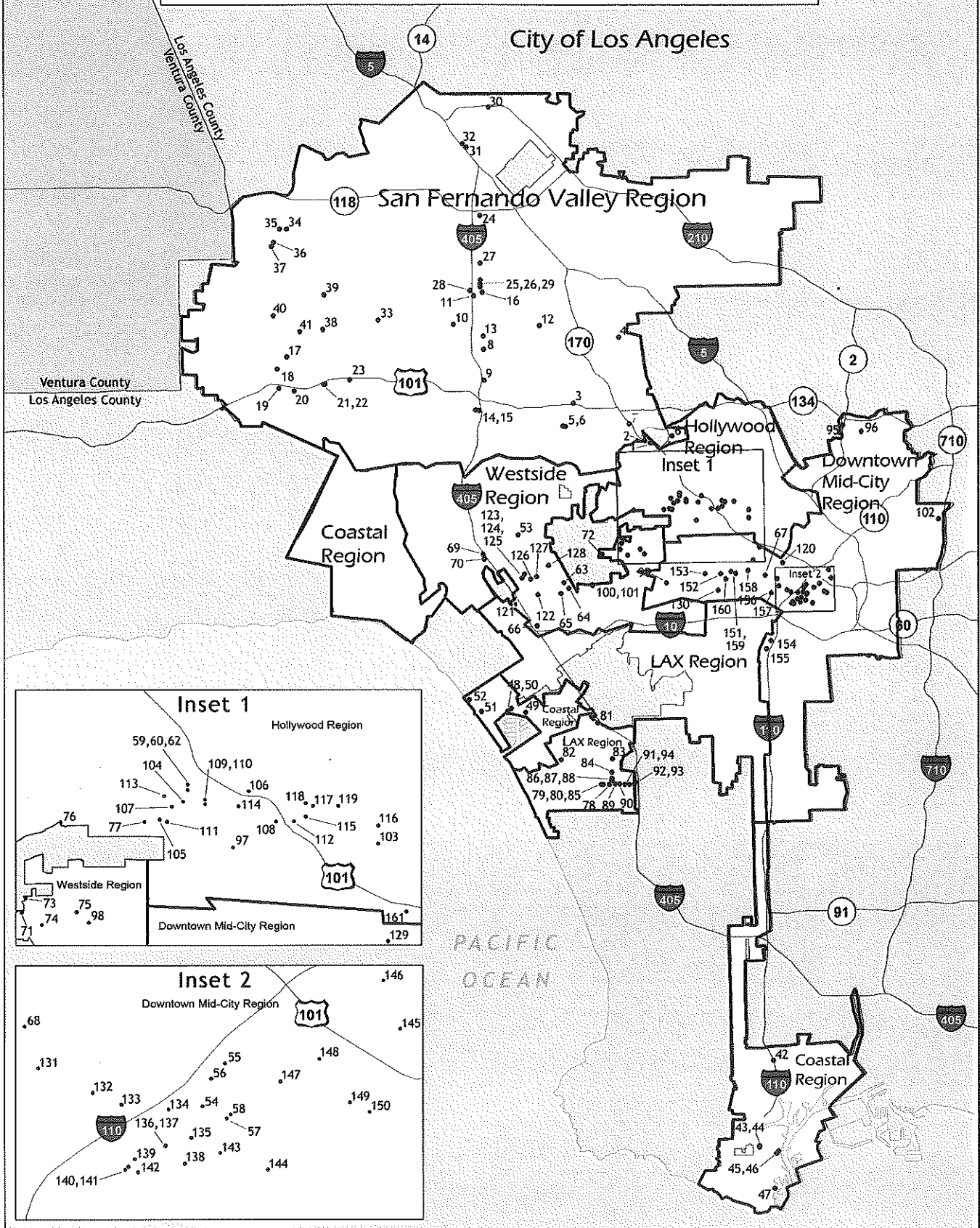
Map Key	Name	Address	City	State	ZIP	Zone
1	Sheraton Universal	333 Universal Hollywood Dr	Universal City	CA	91608	SF
2	Hilton Los Angeles/Universal City	555 Universal Hollywood Dr	Universal City	CA	91608	SF
3	Best Western Mikado	12600 Riverside Dr	North Hollywood	CA	91607	SF
4	Studio Lodge	11254 Vanowen St	North Hollywood	CA	91605	SF
5	Days Inn	12933 Ventura Blvd	Studio City	CA	91604	SF
6	Sportsmen's Lodge Hotel	12825 Ventura Blvd	Studio City	CA	91604	SF
7	Beverly Garlands Holiday Inn at USH	4222 Vineland Ave	North Hollywood	CA	91602	SF
8	Voyager Motor Inn	6500 Sepulveda Blvd	Van Nuys	CA	91411	SF
9	Best Western Carriage Inn	5525 Sepulveda Blvd	Van Nuys	CA	91411	SF
10	Airtel Plaza Hotel & Conference Center	7277 Valjean Ave	Van Nuys	CA	91406	SF
11	Holiday Inn Express Van Nuys	8244 Orion Ave	Van Nuys	CA	91406	SF
12	Best Value Van Nuys	13561 Sherman Way	Van Nuys	CA	91405	SF
13	Travelodge	6909 Sepulveda Blvd	Van Nuys	CA	91405	SF
14	Radisson Valley Center Hotel Los Angeles	15433 Ventura Blvd	Sherman Oaks	CA	91403	SF
15	Heritage Motels	15485 Ventura Blvd	Sherman Oaks	CA	91403	SF
16	Panorama Motel	8209 Sepulveda Blvd	Panorama City	CA	91402	SF
17	Hilton Woodland Hills & Towers	6360 Canoga Ave	Woodland Hills	CA	91367	SF
18	Warner Center Marriott Hotel	21850 Oxnard St	Woodland Hills	CA	91367	SF
19	Aku Aku Motor Inn	21830 Ventura Blvd	Woodland Hills	CA	91364	SF
20	Holiday Inn Woodland Hills	21101 Ventura Blvd	Woodland Hills	CA	91364	SF
21	Comfort Inn (formerly Vagabond Inn)	20157 Ventura Blvd	Woodland Hills	CA	91364	SF
22	Extended Stay America	20205 Ventura Blvd	Woodland Hills	CA	91364	SF
23	St George Motor Inn Inc	19454 Ventura Blvd	Tarzana	CA	91356	SF
24	Mission Hills Inn	10621 Sepulveda Blvd	Mission Hills	CA	91345	SF
25	Travel Inn	8525 Sepulveda Blvd	North Hills	CA	91343	SF
26	Econo Motor Inn of North Hills	8647 Sepulveda Blvd	North Hills	CA	91343	SF
27	Budget Inn	9151 Sepulveda Blvd	North Hills	CA	91343	SF
28	Motel 6	15711 Roscoe Blvd	North Hills	CA	91343	SF
29	Best Western (formerly Hiway Host Motor Inn)	8424 Sepulveda Blvd	North Hills	CA	91343	SF
30	Super 8	14955 Roxford St	Sylmar	CA	91342	SF
31	Motel 6	12775 Encinitas Ave	Sylmar	CA	91342	SF
32	Good-Nite Inn	12835 Encinitas Ave	Sylmar	CA	91342	SF
33	Howard Johnson	7432 Reseda Blvd	Reseda	CA	91335	SF

Map Key	Name	Address	City	State	ZIP	Zone
34	Ramada Inn	21340 Devonshire St	Chatsworth	CA	91311	SF
35	7 Star Suites Hotel	21603 Devonshire St	Chatsworth	CA	91311	SF
36	Staybridge Suites Chatsworth	21902 Lassen St	Chatsworth	CA	91311	SF
37	Radisson Chatsworth Hotel	9777 Topanga Canyon Blvd	Chatsworth	CA	91311	SF
38	Alexander Hotel	20200 Sherman Way	Canoga Park	CA	91306	SF
39	Days Inn	20128 Roscoe Blvd	Winnetka	CA	91306	SF
40	Super 8	7631 Topanga Canyon Blvd	Canoga Park	CA	91304	SF
41	Motel 6	7132 De Soto Ave	Canoga Park	CA	91303	SF
42	Best Western Los Angeles Worldport	1402 Pacific Coast Hwy	Wilmington	CA	90744	C
43	Holiday Inn San Pedro	111 S Gaffey St	San Pedro	CA	90731	C
44	Vagabond Inn	215 S Gaffey St	San Pedro	CA	90731	C
45	Crowne Plaza Los Angeles Harbor Hotel	601 S Palos Verdes St	San Pedro	CA	90731	C
46	Best Western Sunrise Ports of Call Hotel	525 S Harbor Blvd	San Pedro	CA	90731	C
47	Doubletree Hotel San Pedro	2800 Via Cabrillo Marina	San Pedro	CA	90731	C
48	Holiday Inn Express	737 Washington Blvd	Marina Del Rey	CA	90292	C
49	Courtyard By Marriott-Marina Del Rey	13480 Maxella Ave	Marina Del Rey	CA	90292	C
50	Jolly Roger Hotel	2904 Washington Blvd	Venice	CA	90292	C
51	Best Western Marina Pacific Hotel & Suites	1697 Pacific Ave	Venice	CA	90291	C
52	Cadillac Hotel, The	8 Dudley Ave	Venice	CA	90291	C
53	Hotel Bel-Air	701 Stone Canyon Rd	Los Angeles	CA	90077	W
54	Standard, Downtown LA, The	550 S Flower St	Los Angeles	CA	90071	D
55	Los Angeles Marriott Downtown	333 S Figueroa St	Los Angeles	CA	90071	D
56	Westin Bonaventure Hotel & Suites	404 S Figueroa St	Los Angeles	CA	90071	D
57	Hilton Checkers Hotel	535 S Grand Ave	Los Angeles	CA	90071	D
58	Millenium Biltmore Hotel	506 S Grand Ave	Los Angeles	CA	90071	D
59	Best Western Hollywood Plaza Inn	2011 N Highland Ave	Hollywood	CA	90068	H
60	Hollywood Heights Hotel	2005 N Highland Ave	Hollywood	CA	90068	H
61	Oakwood Apartments- Toluca Hills	3600 Barham Blvd	Los Angeles	CA	90068	SF
62	Holiday Inn Express Hotel & Suites	1921 N Highland Ave	Los Angeles	CA	90068	H
63	Century Plaza Hotel and Spa, The	2025 Ave of The Stars	Los Angeles	CA	90067	W
64	Intercontinental Los Angeles at Century City	2151 Ave of The Stars	Los Angeles	CA	90067	W
65	Courtyard By Marriott-Century City/Beverly Hills	10320 W Olympic Blvd	Los Angeles	CA	90064	W
66	Best Western Royal Palace	2528 S Sepulveda Blvd	Los Angeles	CA	90064	W
67	Wilshire Royale Howard Johnson Plaza Hotel & Suites	2619 Wilshire Blvd	Los Angeles	CA	90057	D
68	Ramada Inn- Los Angeles Downtown	611 S Westlake Ave	Los Angeles	CA	90057	D
69	Luxe Hotel Sunset Boulevard	11461 W Sunset Blvd	Los Angeles	CA	90049	W
70	Hotel Angeleno	170 N Church Ln	Los Angeles	CA	90049	W
71	Hotel Sofitel	8555 Beverly Blvd	Los Angeles	CA	90048	W
72	Four Seasons LA at Beverly Hills	300 S Doheny Dr	Los Angeles	CA	90048	W
73	SLS at Beverly Hills	465 S La Cienega Blvd	Los Angeles	CA	90048	W
74	The Orlando	8384 W 3rd St	Los Angeles	CA	90048	W
75	Beverly Laurel Motor Hotel	8018 Beverly Blvd	Los Angeles	CA	90048	W
76	Chateau Marmont	8221 W Sunset Blvd	Los Angeles	CA	90046	H
77	Saharan Motor Hotel	7212 W Sunset Blvd	Los Angeles	CA	90046	H
78	Crowne Plaza Los Angeles Airport	5985 W Century Blvd	Los Angeles	CA	90045	L
79	Radisson Hotel at Los Angeles Airport	6225 W Century Blvd	Los Angeles	CA	90045	L

Map Key	Name	Address	City	State	ZIP	Zone
80	Courtyard By Marriott-LAX/Century Blvd.	6161 Century Blvd	Los Angeles	CA	90045	L
81	Extended Stay America	6531 S Sepulveda Blvd	Los Angeles	CA	90045	L
82	Custom Hotel	8601 Lincoln Blvd	Los Angeles	CA	90045	L
83	Howard Johnson LAX	8620 Airport Blvd	Los Angeles	CA	90045	L
84	Super 8	9250 Airport Blvd	Los Angeles	CA	90045	L
85	Sheraton Gateway LAX	6101 W Century Blvd	Los Angeles	CA	90045	L
86	Renaissance Los Angeles Airport Hotel	9620 Airport Blvd	Los Angeles	CA	90045	L
87	Four Points Hotel Los Angeles	9750 Airport Blvd	Los Angeles	CA	90045	L
88	Embassy Suites LAX North	9801 Airport Blvd	Los Angeles	CA	90045	L
89	Los Angeles Airport Marriott	5855 W Century Blvd	Los Angeles	CA	90045	L
90	Hilton Los Angeles Airport	5711 W Century Blvd	Los Angeles	CA	90045	L
91	Travelodge Hotel at LAX	5547 W Century Blvd	Los Angeles	CA	90045	L
92	Holiday Inn Lax	9901 S La Cienega Blvd	Los Angeles	CA	90045	L
93	La Quinta Inn and Suites at LAX	5249 W Century Blvd	Los Angeles	CA	90045	L
94	Westin Los Angeles Airport	5400 W Century Blvd	Los Angeles	CA	90045	L
95	Best Western Eagle Rock Inn	2911 Colorado Blvd	Los Angeles	CA	90041	D
96	Comfort Inn - Eaglerock	2300 Colorado Blvd	Los Angeles	CA	90041	D
97	Vagabond Inn Executive Hollywood	1133 Vine St	Los Angeles	CA	90038	H
98	Farmer's Daughter Motor Hotel	115 S Fairfax Ave	Los Angeles	CA	90036	W
99	Best Motel	5350 W Olympic Blvd	Los Angeles	CA	90036	D
100	Crowne Plaza Beverly Hills	1150 S Beverly Dr	Los Angeles	CA	90035	W
101	Residence Inn by Marriott- Beverly Hills	1177 S Beverly Dr	Los Angeles	CA	90035	W
102	Super 8 Motel	5350 Huntington Dr S	Los Angeles	CA	90032	D
103	Hollywood Hotel (formerly Ramada)	1160 N Vermont Ave	Los Angeles	CA	90029	H
104	Renaissance Hollywood Hotel	1755 N Highland Ave	Hollywood	CA	90028	H
105	Holiday Inn Express	1520 North La Brea Ave	Hollywood	CA	90028	H
106	Best Western Hollywood Hills	6141 Franklin Ave	Hollywood	CA	90028	H
107	Roosevelt Hotel- Hollywood	7000 Hollywood Blvd	Hollywood	CA	90028	H
108	Hollywood Metropolitan Hotel	5825 W Sunset Blvd	Hollywood	CA	90028	H
109	Retan Hotel	1732 Whitley Ave	Los Angeles	CA	90028	H
110	Motel 6 Hollywood	1738 Whitley Ave	Los Angeles	CA	90028	H
111	Days Inn Hollywood	7023 W Sunset Blvd	Los Angeles	CA	90028	H
112	Dunes Sunset Motel	5625 W Sunset Blvd	Los Angeles	CA	90028	H
113	Highland Gardens Hotel	7047 Franklin Ave	Los Angeles	CA	90028	H
114	The W Hotel	6250 Hollywood Blvd	Los Angeles	CA	90028	H
115	Super 8 Motel- Hollywood	1536 N Western Ave	Hollywood	CA	90027	D
116	Hollywood Travelodge	1401 N Vermont Ave	Hollywood	CA	90027	H
117	Coral Sands Hotel	1730 N Western Ave	Los Angeles	CA	90027	H
118	Days Inn	5410 Hollywood Blvd	Los Angeles	CA	90027	H
119	Hollywood Inn Express	5131 Hollywood Blvd	Los Angeles	CA	90027	H
120	Hollywood Inn Express South	141 N Alvarado St	Los Angeles	CA	90026	D
121	Holiday Inn Express West Los Angeles	11250 Santa Monica Blvd	Los Angeles	CA	90025	W
122	Travelodge	10740 Santa Monica Blvd	Los Angeles	CA	90025	W
123	Hilgard House- Westwood Village	927 Hilgard Ave	Los Angeles	CA	90024	W
124	Claremont Hotel	1044 Tiverton Ave	Los Angeles	CA	90024	W
125	W Los Angeles-Westwood	930 Hilgard Ave	Los Angeles	CA	90024	W

Map Key	Name	Address	City	State	ZIP	Zone
126	Hotel Palomar Westwood	10740 Wilshire Blvd	Los Angeles	CA	90024	W
127	Hotel Del Capri	10587 Wilshire Blvd	Los Angeles	CA	90024	W
128	Beverly Hills Plaza Hotel	10300 Wilshire Blvd	Los Angeles	CA	90024	W
129	Econo Lodge - Wilshire	3400 W 3rd St	Los Angeles	CA	90020	D
130	Rotex Hotel	3411 W Olympic Blvd	Los Angeles	CA	90019	D
131	Comfort Inn Downtown Los Angeles	1710 W 7th St	Los Angeles	CA	90017	D
132	Best Western Mayfair, The	1256 W 7th St	Los Angeles	CA	90017	D
133	America's Best Value Inn (formerly Motel De Ville)	1123 W 7th St	Los Angeles	CA	90017	D
134	Wilshire Grand Hotel & Centre	930 Wilshire Blvd	Los Angeles	CA	90017	D
135	Sheraton Los Angeles Downtown	711 S Hope St	Los Angeles	CA	90017	D
136	Ritz Milner Hotel	813 S Flower St	Los Angeles	CA	90017	D
137	O Hotel	819 S Flower St	Los Angeles	CA	90017	D
138	Stillwell Hotel	838 S Grand Ave	Los Angeles	CA	90017	D
139	Figueroa Hotel	939 S Figueroa St	Los Angeles	CA	90015	D
140	Luxe City Center Hotel	1020 S Figueroa St	Los Angeles	CA	90015	D
141	JW Marriott Los Angeles	900 West Olympic Blvd	Los Angeles	CA	90015	D
142	The Ritz Carlton	710 West Olympic Blvd	Los Angeles	CA	90015	D
143	Los Angeles Athletic Club	431 W 7th St	Los Angeles	CA	90014	D
144	Hotel Cecil	640 S Main St	Los Angeles	CA	90014	D
145	Metro Plaza Hotel	711 N Main St	Los Angeles	CA	90012	D
146	Best Western Dragon Gate Inn	818 N Hill St	Los Angeles	CA	90012	D
147	Omni Los Angeles Hotel	251 S Olive St	Los Angeles	CA	90012	D
148	Kawada Hotel	200 S Hill St	Los Angeles	CA	90012	D
149	Kyoto Grand Hotel & Gardens	120 S Los Angeles St	Los Angeles	CA	90012	D
150	Miyako Inns & Spa	312 E 1st St	Los Angeles	CA	90012	D
151	Wilshire Plaza Hotel Los Angeles	3515 Wilshire Blvd	Los Angeles	CA	90010	D
152	Ramada Inn	3900 Wilshire Blvd	Los Angeles	CA	90010	D
153	Dunes Wilshire Motor Hotel	4300 Wilshire Blvd	Los Angeles	CA	90010	D
154	Vagabond Inn Figueroa	3101 S Figueroa St	Los Angeles	CA	90007	D
155	Radisson Hotel USC Los Angeles	3540 S Figueroa St	Los Angeles	CA	90007	D
156	Ramada Inn (formerly Eastern Hotel/Clarion)	1903 Olympic Blvd	Los Angeles	CA	90006	D
157	Rodeway Inn LACC HOTEL	1904 W Olympic Blvd	Los Angeles	CA	90006	D
158	Best Western Mid-Wilshire Plaza Hotel	603 S New Hampshire Ave	Los Angeles	CA	90005	D
159	JJ Grand (formerly Seoul Palace Hotel)	620 S Harvard Blvd	Los Angeles	CA	90005	D
160	Oxford Palace Hotel	745 S Oxford Ave	Los Angeles	CA	90005	D
161	Holiday Inn Express	250 Silver Lake Blvd	Los Angeles	CA	90004	D

Hotels in the LA Tourism Marketing District



III. LATMD ASSESSMENT FORMULA

Assessment Rate Determination

Hotel occupancy rates in Los Angeles have declined from 77.5% in 2007 to an estimated 66% in 2010. Visitation to Los Angeles has declined from 25.9 million visitors in 2007 to an estimated 24.2 million visitors in 2010. These declines in travel are caused by both the US economic recession and, more importantly, increased competition for conventions, meetings, and leisure travelers. Meanwhile, Los Angeles' major competitors have enacted tourism marketing district assessments and increased their sales and marketing efforts; among them San Diego has raised \$26 million and San Francisco has raised \$23 million. The City of Anaheim recently approved a 2% tourism marketing district assessment, which will provide an estimated \$9.5 million in additional funds for Anaheim sales and marketing efforts. Currently, 57 destinations throughout California have tourism marketing districts.

In order to reverse the decline in visitors and occupancy and compete with other destinations, the LATMD hotel steering committee has conducted an analysis of programs necessary to adequately market Los Angeles lodging businesses with fifty or more rooms. Based on Los Angeles' competitive set and the costs of sales and marketing programs, the LATMD hotel steering committee has developed a comprehensive sales and marketing plan. The cost for that comprehensive marketing plan to be effective is at least \$11.5 million in the first year, and the amount needed to remain effective is expected to increase over time. To raise a minimum of \$11.5 million it is necessary to levy an assessment of 1.5% of gross room rental revenue on lodging businesses with fifty or more rooms. Lodging businesses with fewer than fifty rooms will receive no benefit from the programs and services funded by the LATMD assessment. The 1.5% assessment rate was determined based on the need for \$11.5 million to effectively market lodging businesses with fifty or more rooms. It is anticipated that the costs of the programs will increase during the operation of the LATMD at a rate of approximately three percent per year.

Assessment Rate

The LATMD annual assessment rate is 1.5% of gross room rental revenue for lodging businesses with 50 or more rooms. Based on the benefit received, the following stays shall not be subject to assessment:

- (1) A stay for which it is beyond the power of the City to impose the assessment herein provided;
- (2) A stay by any Federal or State of California officer or employee, including employees of federal credit unions, who provides proof that he or she is on Federal or State business;
- (3) A stay by any officer or employee of a foreign government who is exempt by express provision of federal law or international treaty;
- (4) A stay by any person to whom rent is charged at the rate of \$2.00 per day or less;
- (5) A stay for which rent is paid from a fund administered by the Emergency Food and Shelter National Board Program;
- (6) Stays by airline crews;
- (7) Stays of more than thirty (30) consecutive days; and
- (8) Stays pursuant to contracts executed prior to commencement of the LATMD.

The term "gross room rental revenue" as used herein includes the following: the consideration charged, whether or not received, for the occupancy of lodging space in a hotel valued in money,

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ADMINISTRATIVE
SERVICES DIVISION

LOS ANGELES TOURISM MARKETING DISTRICT

MANAGEMENT DISTRICT PLAN

*Formed pursuant to the Property and Business Improvement District Act of 1994
(Streets and Highways Code §36600 et seq.)*

Submitted to

The City of Los Angeles

February 24, 2011
by



whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross revenue shall not include any federal, state or local taxes collected and shall exclude the cost of meals or other services offered at the hotel.

Specific Benefit Determination

State law provides that LATMD funds must be used to create a specific benefit for the assessed lodging businesses with fifty or more rooms. A specific benefit is conferred or granted directly to the payor and is not provided to those not charged.

The improvements and activities detailed in the accompanying Management District Plan are provided for the specific benefit of assessed lodging businesses with fifty or more rooms within the LATMD boundaries, and provide specific benefit solely to assessed lodging businesses with fifty or more rooms. The specific benefit provided to lodging businesses with fifty or more rooms is an increase in room rental revenue.

All benefits derived from the assessments described in this Management District Plan are from services directly benefiting lodging businesses with fifty or more rooms within this specialized District, and support increased room rental revenue for assessed lodging businesses with fifty or more rooms. All services are provided solely to lodging businesses with fifty or more rooms within the District, to increase their room rental revenue, and are designed only for the direct specific benefit of the assessed lodging businesses with fifty or more rooms within the LATMD. LATMD funds will not be used to provide services to non-assessed lodging businesses inside or outside of the LATMD boundaries. Services which will benefit all assessed lodging businesses with fifty or more rooms will include exclusive listings on websites, brochures and other materials created with LATMD funds, group sales efforts promoting only assessed lodging businesses with fifty or more rooms, and dedicated sales directors marketing only assessed lodging businesses with fifty or more rooms. All services provided with LATMD funds will be designed to benefit each assessed lodging business with fifty or more rooms in proportion to the amount of assessment paid by each business.

The programs funded by the LATMD assessment will not provide benefits to non-assessed lodging businesses within the LATMD boundaries with fewer than fifty rooms. Lodging businesses with fewer than fifty rooms will not be marketed with LATMD funds, will not be listed on any website or other listing funded by the LATMD, will not receive sales leads generated through LATMD funded activities, and will not be included in any other LATMD assessment-funded activity.

There are several reasons lodging businesses with fewer than fifty rooms will not benefit from LATMD programs. Smaller lodging businesses tend to serve the local transient population, rather than the tourist population the LATMD marketing programs will aim at attracting. Smaller lodging businesses are typically not tourist-serving businesses, nor do they tend to be affiliated with national brands, instead they have on-site management. Smaller lodging businesses' clientele tends to be more based on local demand, including proximity to Los Angeles residents being visited and not reliant on regional or national marketing programs like those funded by the LATMD. Smaller lodging businesses tend to have more walk-up business, and not have a website, toll-free telephone number, or centralized reservation systems that would benefit from LATMD activities. The vast majority of these smaller

lodging businesses also do not have online booking capabilities and are not featured on travel booking websites like Travelocity, Expedia and Orbitz.

Stays not assessed pursuant to Article VI, Section A, and detailed on page 7 of this Engineer's Report, are not assessed because they also do not benefit from the services provided. Marketing services are aimed at attracting tourists, rather than stays of the types listed in Article VI, Section A. The type of stay being promoted by the LATMD will not include those not assessed pursuant to Article VI, Section A.

IV. LATMD SERVICE PLAN COST ESTIMATE

Based on preliminary estimates of generating \$11,500,000 in the first year through the LATMD assessment, and an increase thereafter of three percent per year, the percentage allocation of funds, as prescribed through the LATMD marketing plan, shall be as below.

SERVICE	%	2011	2012	2013	2014	2015
Marketing	71%	\$8,165,000.00	\$8,409,950.00	\$8,662,248.50	\$8,922,115.96	\$9,189,779.44
Sales	20%	\$2,300,000.00	\$2,369,000.00	\$2,440,070.00	\$2,513,272.10	\$2,588,670.26
Administration	3%	\$345,000.00	\$355,350.00	\$366,010.50	\$376,990.82	\$388,300.54
City Administration	1%	\$115,000.00	\$118,450.00	\$122,003.50	\$125,663.61	\$129,433.52
Contingency and Renewal	5%	\$575,000.00	\$592,250.00	\$610,017.50	\$628,318.03	\$647,167.57
Totals	100%	\$11,500,000.00	\$11,845,000.00	\$12,200,350.00	\$12,566,360.52	\$12,943,351.33

Assessment Notice

An assessment notice will be sent to each business owner in the District boundaries. The assessment notice provides an estimated assessment based upon the most recent years' gross room rental revenue as defined in the Management District Plan. The final assessment for each business may change, up or down, if the actual gross room rental revenue differs from the prior years'.

As a result of continued development and expansion of the lodging industry, the LATMD may experience the addition or subtraction of assessable gross room rental revenue within the District boundaries. The opening, closing, or expansion of lodging businesses within the LATMD boundaries may change the amount of total gross room rental revenue assessment collected by the District. In future years, the assessments for the specific benefits bestowed upon the included businesses may change in accordance with the assessment methodology formula listed in this Engineer's Report and the accompanying Management District Plan, provided that the assessment formula does not change.

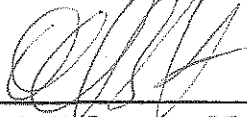
Time and Manner for Collecting Assessments

The LATMD assessment will be implemented beginning April 1, 2011 and will continue for five (5) years. The Los Angeles City Clerk will be responsible for overseeing collection of the assessment. The assessment shall be collected on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the LATMD. The City shall take all reasonable efforts to collect the assessments and any delinquencies, penalties and interest from each lodging business. The City Clerk or its designee may audit the hotels. The City shall forward the assessments, including any delinquencies, penalties and interest, to the owner's association which will be responsible for managing LATMD programs as provided in the accompanying Management District Plan.

V. CERTIFICATION

I hereby certify, to the best of my knowledge and experience, that each of the identified benefiting businesses located within the Los Angeles Tourism Marketing District will receive a specific benefit over and above the general benefits conferred and that the amount of the assessment is proportional to, and no greater than, the specific benefits conferred on each assessable business, as described in this Engineer's Report.

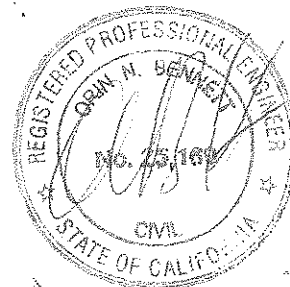
This Engineer's Report for the Los Angeles Tourism Marketing District was prepared by:



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

Feb 28, 2011

Date



ORDINANCE NO. _____

An Ordinance of Intention to establish a Business Improvement District to be known as the "**Los Angeles Tourism Marketing 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 tourism industry is important to the economy of the City of Los Angeles (City) and in order to retain and expand the City's tourism industry, it is necessary to undertake extensive marketing activities promoting Los Angeles as a tourist destination; and

WHEREAS, the City Council of the City of Los Angeles finds that it is in the interest of the lodging businesses with 50 or more rooms and vital to the welfare of the economy of these same businesses to expand the market for and to develop tourism in Los Angeles; and

WHEREAS, the City Council recognizes that separate and distinct lodging businesses in the Los Angeles tourism industry often lack the resources or the market power to conduct these marketing and promotional activities on their own; and

WHEREAS, the marketing programs to be created under this assessment district are intended to benefit all lodging businesses with 50 or more rooms and paying the assessments to be levied, should a Tourism Marketing District be established; and

WHEREAS, such an assessment district, should it be created, would operate under an approved management district plan; and

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

WHEREAS, lodging businesses in the **Los Angeles Tourism Marketing District** that 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 business improvement district to be named the **Los Angeles Tourism Marketing 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 Business Improvement District to be named the **Los Angeles Tourism Marketing District** (District).

Sec. 2. DEFINITIONS.

1. "Lodging Business" means and is defined as any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio, hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, or other similar structure or portion thereof, with fifty (50) or more rooms;

2. "Transient" means and is defined as:

a. Any person, other than an individual, who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for any period of time, or

b. Any individual who personally exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such individual so occupying space in a hotel shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy;

3. "Gross Room Rental Revenue" means and is defined as the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross revenue shall not include any federal, state or local taxes collected;

4. "Lodging Business Owner" means and is defined as the person or organization shown as the owner of the business on the City of Los Angeles' records or other governmental records, or otherwise known to be the lodging business owner by the City Council or its designee;

5. "Owners' Association" means and is defined as a private nonprofit entity that is under contract with the City of Los Angeles to administer or implement

activities and improvements specified in this management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 commencing with *Section 6250 of Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the District.

Sec. 3. **ADOPTION OF MANAGEMENT DISTRICT PLAN.** The City Council hereby adopts, approves and confirms the Management District Plan included in Council File No. **10-1261**.

Sec. 4. **LODGING BUSINESSES WITHIN THE DISTRICT.** The City Council hereby affirms its finding that all lodging businesses, which will have a special benefit conferred upon them and upon which an assessment will be imposed, are identified in the Management District Plan. New lodging businesses with 50 or more rooms opening during the term of the District, and lodging businesses expanding to 50 or more rooms during the term of the District, will be assessed in the District upon their expansion or opening. Lodging businesses with 50 or more rooms which reduce the number of rooms to less than fifty during the term of the District will cease to be assessed upon reduction of rooms to less than fifty.

Sec. 5. **PROPORTIONAL BENEFIT.** The City Council hereby reaffirms that the assessment proposed to be imposed on each lodging business does not exceed the reasonable cost of the proportional benefit conferred on lodging business.

Sec. 6. **DISTRICT BOUNDARIES.** The City Council hereby declares that the boundaries of the proposed District are as detailed in the Management District Plan. The proposed **Los Angeles Tourism Marketing District** area consists of all existing and future lodging businesses with fifty (50) rooms or more within the geographic boundaries of the City of Los Angeles.

In the proposed **Los Angeles Tourism Marketing District**, 161 lodging businesses will initially be subject to assessment. The map included in the District's Management District Plan gives sufficient detail to locate each lodging business within the proposed District.

Sec. 7. **IMPROVEMENTS AND ACTIVITIES.** The City Council hereby declares that the proposed tourism related activities and improvements to be funded by the levy of assessments on lodging businesses within the District are detailed in the Management District Plan. Such proposed activities include, but are not limited to, Marketing, Sales, Administration, Contingency and Renewal.

Sec. 8. ANNUAL ASSESSMENTS AND DURATION. The District's total assessment for five years is estimated to be **\$57,500,000**. The District's total annual assessment for the first year is estimated to be **\$11,500,000**.

For the duration of the District, the annual assessment rate will be 1.5% of Gross Room Rental Revenue for Transient stays of less than 31 days for lodging businesses as defined herein. Based on the benefit received, certain stays shall not be subject to assessment as described in the Management District Plan.

Assessments shall not include room rental revenue resulting from stays which are beyond the power of the City to impose the assessment herein provided such as: stays by any Federal or State of California officer or employee (including employees of federal credit unions) who provide proof that he or she is on Federal or State business; stays by any officer or employee of a foreign government who is exempt by express provision of federal law or international treaty; stays by any person to whom rent is charged at the rate of \$2.00 per day or less; stays for which rent is paid from a fund administered by the Emergency Food and Shelter National Board Program; stays by airline crews on official business; stays of more than thirty (30) consecutive days; and stays pursuant to contracts executed prior to commencement of the District.

It is proposed that the District be established for a five-year period. The District will not issue bonds.

Sec. 9. COLLECTION OF ASSESSMENTS. The City Council finds and determines that the City Clerk, or its designee, will collect the assessment from the lodging businesses. The City Council hereby declares that to the extent possible, after the effective date of this ordinance, each lodging business shall collect the **Los Angeles Tourism Marketing District** assessment to the same extent and at the same time as the Gross Room Rental Revenue is collected from every Transient. The amount of assessment shall be separately stated from the amount of the Gross Room Rental Revenue charged and each Transient shall receive a receipt for payment from the lodging business.

Each lodging business shall, on or before the 25th day of each calendar month, make a statement to the City of Los Angeles of the total Gross Room Rental Revenue charged and received, and the amount of District assessment collected for Transient stays during the preceding calendar month.

At the time the statement is filed, the full amount of the District assessment shall be remitted to the City of Los Angeles. The assessment shall be deemed delinquent if not received by the close of business on the 25th day of each calendar month in which it is due, except that a month shall commence on the 26th day of each calendar month and terminate on the 25th day of the succeeding calendar month.

All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties in accordance with California Streets and Highways Code Section 36631 and as set forth in the approved Management District Plan for the

Los Angeles Tourism Marketing District as follows:

1. Collection. The City of Los Angeles will be responsible for collecting any delinquent assessments, including penalties and interest, and forwarding them to the owners' association. The District shall reimburse the City for any costs associated with collecting unpaid assessments. If unpaid assessments are collected in conjunction with other delinquencies, the District shall reimburse the City of Los Angeles for only that portion of the cost of collection attributable to the delinquent District assessment.

2. Original Delinquency. Any lodging business which fails to remit the District assessment within the time required shall pay a penalty of 5% of the amount of the assessment in addition to the amount of the assessment.

3. Continued Delinquency. Any lodging business which fails to pay any delinquent assessment on or before the last day of:

(i) The first month in which the assessment first became delinquent, shall pay a second penalty of 5% of the amount of the assessment in addition to the amount of the assessment and the 5% penalty first imposed;

(ii) The second month in which the assessment first became delinquent shall pay a third penalty of 5% of the amount of the assessment in addition to the amount of the assessment and the 10% in accumulated penalties previously imposed;

(iii) The third month in which the assessment first became delinquent shall pay a fourth penalty of 5% of the amount of the assessment in addition to the amount of the assessment and the 15% in accumulated penalties previously imposed.

(iv) The fourth month in which the assessment first became delinquent shall pay a fifth penalty of 20% of the amount of the assessment in addition to the amount of the assessment and the 20% in accumulated penalties previously imposed.

4. Maximum. The penalty amount to be added shall not exceed 40% of the base assessment amount.

Sec. 10. AUDITING. The City Council finds and determines that the City Clerk, or its designee, shall be allowed to review or audit the financial records of the owners' association and all lodging businesses included in the District as necessary to ensure accurate collection and expenditures of assessments.

A contract shall be entered into between the City and the owners' association. The contract will document the accounting processes including collections, allocations, and reporting required to be submitted to the City of Los Angeles. The District will be responsible for any costs associated with audits.

The owners' association shall engage, at its own cost, an independent certified public accountant to review the association's annual financial statement. The owners' association shall submit an annual report to the City Clerk.

Sec. 11. NOTICE, PROTESTS, PUBLIC MEETING AND HEARING PROCEDURES. Consistent with Streets and Highways Code Section 36623(b), the City Clerk shall give notice of the public meeting and public hearing, in the manner

specified in Government Code Section 54954.6, to the owner of each lodging business subject to the levy of an assessment. A complete copy of the Ordinance of Intention and summary of the Management District Plan shall be mailed by first-class mail to each lodging business owner in the proposed district known by the City Council to be located within the proposed district. 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.

At any time prior to the date set for hearing protests, any person or lodging businesses affected by the proposed assessment may make a written protest stating his or her objections thereto. Such protests must contain the information contained in the Ordinance of Intention to the lodging business owner in sufficient detail to allow the City Clerk to identify the owner, the lodging business and the amount of the proposed assessment.

Sec. 12. PUBLIC MEETING AND PUBLIC HEARING Pursuant to Section 54954.6 of the Government Code, one public meeting and one public hearing shall be held before the City Council. The public meeting shall be held on _____, at 10:00 a.m., or as soon thereafter as this matter may be heard, in the John Ferraro Council Chamber in Room 340 at City Hall, 200 North Spring Street, Los Angeles, California 90012. The public hearing shall be held on _____, at 10:00 a.m., or as soon thereafter as this matter may be heard, in the John Ferraro Council Chamber in Room 340 at City Hall, 200 North Spring Street, Los Angeles, California 90012. The public meeting shall take place no earlier than ten days after the first publication of the joint notice. The public hearing shall take place no earlier than seven days after the public meeting and no earlier than 45 days after the first publication of the joint notice. City Council may continue the public hearing from time to time. At this hearing the City Council will consider the adoption of the ordinance authorizing the assessment for the District.

Sec. 13. PROTEST. At the public hearing, the City Council shall hear and consider all protests against the proposed levying of the assessment on lodging businesses located within the District and the specified types of improvements or activities within the District. A protest may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made.

Every written protest shall be filed with the City Clerk prior to or during the public hearing. The City Council may waive any irregularity in the form or content of any written protest and at the public hearing may correct minor defects in the proceedings. A written protest may be withdrawn in writing at any time prior to the conclusion of the public hearing.

Each written protest shall contain a description of the lodging business in which the person subscribing the protest is interested sufficient to identify the lodging business and, if a person subscribing is not shown on the official records of the City as the owner of the lodging business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the lodging business. A written protest that does not comply with these requirements shall not be counted in determining a majority protest.

Sec. 14. 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 written protests are received from the owners of lodging businesses in the District who will pay 50% or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50%, no further proceedings to levy the proposed assessment shall be taken for a period of one year from the date of the finding of a majority protest by the City Council

Sec. 15. AMENDMENT TO ENABLING STATUTE. The lodging 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. 16. 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  _____
NOREEN S. VINCENT
Senior Assistant City Attorney

Date March 2011

File No. CF 10-1261