

City of Los Angeles
CALIFORNIA



ERIC GARCETTI
MAYOR

OFFICE OF
CITY CLERK
Neighborhood and Business
Improvement District Division

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MIRANDA PASTER
ACTING DIVISION HEAD

February 6, 2014

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

Council District 4

REGARDING: THE LARCHMONT VILLAGE (PROPERTY-BASED) BUSINESS
IMPROVEMENT DISTRICT'S 2014 FISCAL YEAR ANNUAL
PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Larchmont Village Business Improvement District's ("District") 2014 fiscal year (CF 09-0818, 09-2802, 12-0716). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an Annual Planning Report for the District must be submitted for approval by the City Council. The Larchmont Village Business Improvement District's Annual Planning Report for the 2014 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Larchmont Village Business Improvement District was established on July 31, 2012 by and through the City Council's adoption of Ordinance No. 182199, which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The City Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed

with the City Clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and the activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of any contributions to be made from sources other than assessments levied.

The attached Annual Planning Report, which was approved by the District's Board at their meeting on November 15, 2013, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

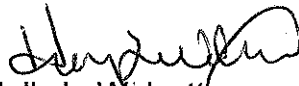
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Larchmont Village Business Improvement District's 2014 fiscal year complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the Larchmont Village Business Improvement District's 2014 fiscal year, pursuant to the State Law.

Sincerely,


Holly L. Wolcott
Interim City Clerk

HLW:MCP:RMH:ev

Attachment: Larchmont Village Business Improvement District's 2014 Fiscal Year Annual Planning Report

Larchmont Village Property Owners Association
180 S. Lake Ave. #420
Pasadena, CA 91101
Phone (626) 584-8007
Fax (626) 584-0961

November 25, 2013

Mr. Eugene Van Cise
Administrative Services
Office of the City Clerk, Room 224
200 North Spring Street
Los Angeles, CA 90012

RE: 2014 Annual Planning Report for the Larchmont Village Business Improvement District

Dear Mr. Van Cise,

On November 15, 2012, the Larchmont Village Property Owners Association, a California Non-Profit organization contracted through agreement No. C-121635 with the City of Los Angeles to manage services provided to the Larchmont Village Business Improvement District, met with our Advisory Board to review the proposed 2014 budget and activities.

During the meeting of November 15, 2013, the BID management company presented the attached 2014 Annual Planning Report to our Advisory Board. The report was approved by the Advisory Board at that meeting.

On behalf of the Advisory Board, I would like to present the 2014 Annual Planning Report for the Larchmont Village Business Improvement District to the Office of the City Clerk and to the Los Angeles City Council for their review and approval.

Please ask me if you have any questions.

Sincerely,



Erin M. Dolan
Manager

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ADMINISTRATIVE
SERVICES DIVISION

2014 Annual Planning Report

Larchmont Village Business Improvement District

District Name: This report is for the Larchmont Village Business Improvement District.

Fiscal Year of Report: This report covers proposed activities from January 1, 2014 through December 31, 2014.

Boundaries: The boundaries of the Larchmont Village Business Improvement District will remain the same for the 2014 fiscal year as in previous fiscal years and as listed in the Management District Plan, which is: the east and west sides of Larchmont Boulevard between Beverly Boulevard on the north and 1st Street on the south. A more detailed description of the boundaries is listed in the Management District Plan.

Benefit Zones: The benefit zones for the Larchmont Village Business Improvement District will remain the same for the 2014 fiscal year as in previous fiscal years. There is only one benefit zone.

Improvements and Activities for 2014: The following are the improvements and activities planned for the Larchmont Village Business Improvement District in order by category as listed in the Management District Plan:

1) Streetscape Services (cleaning, litter pickup, landscape upkeep, trash bin cleaning): This program element funds various supplemental streetscape services performed by subcontract vendors within the streetscape areas within the PBID. Included are regular disposal of trash in streetscape bins; streetscape porter services to pick up litter and debris and remove illegal signs and posters on street furniture, trees and poles; monthly pressure washing of trash bin lids and streetscape areas; and, periodic landscape upkeep on an "as needed" basis. It is noted that any public pavement repairs needed within the District are not the responsibility of the PBID. The following describes the projected frequencies of regular streetscape services:

1. One time per week all streetscape areas, landscape wells and planters will be cleaned of all trash and debris.
2. One time per week a street sweeper will sweep the streetscape area. This will be performed between 5 a.m. and 8 a.m.

3. Daily each morning, trash liners will be emptied and bags replaced; all lids will be wiped off.
4. At 3 p.m. each day all liners more than half full will be changed. Also at this time the area around the receptacles will be cleaned of all trash and debris.
5. Semimonthly pressure washing of all streetscape areas and trash bin lids.
6. Pruning the trees along the sidewalk every other year, starting in 2013.

These supplemental streetscape services directly benefit each parcel within the PBID by creating positive perceptions of the Larchmont Village District as an attractive and pedestrian-friendly shopping and dining area. Regular and professional streetscape care presents a clean and caring appearance of a well managed and successful business center for the direct and special benefit of each parcel within the PBID.

Each supplemental streetscape service assists in beautifying the PBID areas adjacent to each parcel within the PBID and enhances the image of this commercial corridor and the public streetscape areas adjacent to each parcel within it. This activity is designed to increase commerce through increased customers, clients and sales and attract and retain businesses for the benefit of each parcel within the PBID. These supplemental streetscape services will only be provided within the PBID boundaries for the direct benefit of each parcel within the PBID; therefore these services constitute “special benefits” to each assessed parcel.

The City owned “pay as you park” public parking lot in the PBID will directly benefit from supplemental streetscape services by keeping the area clean and litter-free which, in turn, enhances the desirability of parking vehicles in this public parking lot and increases parking revenues to the City.

The cost of providing supplemental streetscape services for 2014 is estimated at \$69,500, or 51.0% of the 2014 budget.

2) **Marketing/Promotions:** This program element will include services such as business marketing, media relations, event planning, public relations, economic development and retail recruitment. Funds will also be used for district branding opportunities, promotional materials, including business directories, specialty brochures, maps, visitors’ guides and press releases; upkeep and development of a Larchmont BID website; and annual economic benchmarking research and similar projects. This activity is designed to enhance commerce through increased customers, clients and sales and attract and retain businesses for the direct benefit of each parcel within the PBID boundaries. These marketing/promotion programs will only be provided for each parcel within the PBID boundaries; therefore these services constitute “special benefits” to each assessed parcel.

The City owned “pay as you park” public parking lot in the PBID will directly benefit from marketing/promotion programs by keeping the area clean and litter-free which, in turn, enhances

the desirability of parking vehicles in this public parking lot and increases parking revenues to the City.

The cost of providing marketing/promotions for 2014 is estimated at \$20,000, or 14.7% of the 2014 budget.

3) **Physical Amenities** This program element will include physical improvements and enhancements such as street lamp seasonal banners and holiday decorations and lighting. These amenities are intended to enhance the appeal and attraction of each parcel within the PBID, especially during the year-end holiday season which is usually the busiest and most profitable part of the year for many Larchmont Village businesses. It is noted that PBID funds may be further supplemented by annual holiday decoration grants from the Los Angeles Department of Water and Power.

Any PBID funded amenities will only be provided within the PBID boundaries and only for the direct benefit of each parcel within the PBID; therefore funding these amenities constitute “special benefits” to each assessed parcel.

The City owned “pay as you park” public parking lot in the PBID will directly benefit from physical amenities by keeping the area clean and litter-free which, in turn, enhances the desirability of parking vehicles in this public parking lot and increases parking revenues to the City.

The cost of funding amenities for 2014 is estimated at \$25,000, or 18.3% of the 2014 budget.

4) **Administration/Operations:** This program element funds the costs for day to day contract management; preparation of regular PBID related reports, office expenses, legal fees, City/County assessment district fees, accounting/bookkeeping fees, and Directors & Officer and General Liability insurance.

This component is key to the proper expenditure of PBID assessment funds and the administration of PBID programs and activities which are intended to benefit each parcel within the PBID through increased commerce through increased customers, clients and sales and the attraction and retention of businesses. Because this program exists only for the direct benefit of each parcel within the PBID and will only be provided for matters occurring within the PBID boundaries, this program constitutes a “special benefit” to each assessed parcel.

The cost of providing administration for 2014 is estimated at \$17,800, or 13.1% of the 2014 budget.

5) **Contingency/Special Fees/Reserve:** The contingency is used to cover City and County assessment related fees, uncollected assessments and unexpected expenditures. Unexpended funds carried over from the previous year are added to this category. This contingency for 2014 is estimated at \$3,678.13, or 2.7% of the 2014 budget.

The contingency/special fees/reserve only related to PBID matters, therefore this program element provides a “special benefit” to the assessed parcels.

Total Estimate of Cost for 2014: A breakdown of the total estimated 2014 budget is attached to this report as Appendix A.

Method and Basis of Assessment: The Method and Basis of levying the 2014 assessment is based on linear street frontage of each assessable parcel at a rate of \$56.246 per linear foot of street frontage along North Larchmont Boulevard.

Amount of Contributions from Other Sources: Each year the PBID receives a contribution from the LADWP in the amount of \$5,000.00. This money helps to offset the expense of holiday decorations.

Amount of Surplus/Deficit from previous Fiscal Year: There is a surplus of \$8,753.10 from the 2013 fiscal year to be carried forward into fiscal year 2014.

Appendix A

2014 Assessments	\$ 122,400.03	
2013 Estimated Carryover	\$ 8,753.10	
2014 Estimated Interest Income	\$ 5.00	
2014 Estimated Contributions- DWP	<u>\$ 5,000.00</u>	
 Total Estimated Budget		 \$136,158.13
 Estimated Expenditures		
<u>Streetscape Services</u>		
Sidewalk Cleaning (Steam)	\$ 18,600.00	
Sidewalk Daily Maintenance	\$ 1,200.00	
Sidewalk Porter	<u>\$ 49,700.00</u>	
		\$ 69,500.00
<u>Marketing</u>		
Marketing/Promotions- H&R PR	<u>\$ 20,000.00</u>	
		\$ 20,000.00
<u>Physical Amenities</u>		
Holiday Decorations	<u>\$ 25,000.00</u>	
		\$ 25,000.00
<u>Administration/Operations</u>		
Administrative bookkeeping	\$ 8,400.00	
Administrative- City of LA	\$ 3,500.00	
Insurance	\$ 5,000.00	
CPA Report, Tax Return Prep, & Fees	<u>\$ 900.00</u>	
		\$17,800.00
<u>Contingency</u>		
Contingency Reserve	\$ 3,678.13	
Miscellaneous	<u>\$ 180.00</u>	
		\$ 3,858.13
 Total Estimated Expenditures		 \$ 136,158.13