

# 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

July 17, 2014

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

Council Districts 9 & 14

**REGARDING: THE GREATER SOUTH PARK (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 Greater South Park Business Improvement District's ("District") 2014 fiscal year (CF 12-1168). 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 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 Greater South Park Business Improvement District was established on October 2, 2012 by and through the City Council's adoption of Ordinance No. 182278 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 District Board has made no significant changes to 2014 budget from the budget categories. Assessment rates for 2014 were not increased by the District Board and the descriptions of the budget categories have not changed from the approved Management District Plan.

The attached Annual Planning Report, which was approved by the District's Board at their November 21, 2013 meeting, 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

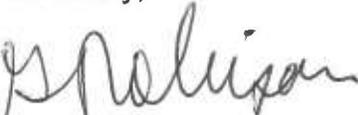
There is no impact to the General Fund associated with this action.

#### RECOMMENDATIONS

That the City Council:

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

Sincerely,



Holly L. Wolcott  
Interim City Clerk

HLW:MCP:RMH:rks

Attachment: Greater South Park Business Improvement District's 2014 Fiscal Year Annual Planning Report

NBID  
JUL 14 2014



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Attachment

1

BOARD OF DIRECTORS February 26, 2013

ROBIN BIEKER  
President

To:  
Holly Wolcott  
Interim City Clerk  
Office of the City Clerk  
200 North Spring Street  
Room 360  
Los Angeles, CA 90012

PHILLIP HILL  
Vice President

RE: **Greater South Park Property Business Improvement District  
2014 Annual Planning Report**

GARY WARFEL  
Treasurer

Dear Ms. Wolcott,

BOB BUENTE  
Secretary

The South Park Stakeholders Group (SPSG), a California non-profit organization, is contracted through **agreement No. C-121665** with the City of Los Angeles to manage services provided to the Greater South Park Property Business Improvement District.

MARTHA SAUCEDO

On November 21, 2013, SPSG Board of Directors meeting included a review of SPBID's proposed 2014 budget and activities. During the meeting, the attached 2014 Annual Planning Report was presented to our Board of Directors. The report and budget were unanimously approved at that meeting.

DAVID GALAVIZ

On behalf of the Board of Directors, I would like to present the Board-approved 2014 Annual Planning Report for the Greater South Park Property Business Improvement District to the Office of the City Clerk and the Los Angeles City Council for their review and approval.

CLIFF HOFFMAN

Please contact Jessica Lall at (213) 663-1112 if you have any questions.

JESSICA LALL  
Executive Director

Sincerely,

  
Robin Bieker  
SPSG Board Chairman

AMANDA IRVINE  
Director of Planning  
& Communications

SOUTH PARK BUSINESS IMPROVEMENT DISTRICT  
1333 South Hope St., Los Angeles, CA 90015  
[www.southpark.la](http://www.southpark.la)



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## 2014 Annual Planning Report

### Greater South Park Property Business Improvement District

#### YEAR TWO

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**District Name:** Greater South Park Property Business Improvement District.

**Fiscal Year of Report:** This report applies to the 2014 fiscal year only. 2014 represents the second year of the current BID, which sunsets on December 31, 2017.

**Boundaries:** The boundaries of the Greater South Park Property Business Improvement District will remain the same for the 2014 fiscal year as in the previous fiscal year and as listed in the Management District Plan. Those boundaries are generally described as: Harbor Freeway (110) on the West, 9<sup>th</sup> Street or Olympic Boulevard on the North, Grand Avenue or Hill Street on the East, and the Santa Monica Freeway (10) on the South. A precisely detailed description of the boundaries is described and mapped on pp. 8-10 of the Management District Plan (MDP).

#### **Summary of Improvements and Activities for 2014**

The past year in South Park has been one of great progress and many changes, including a creation of a new logo and rebranding scheme, hiring of a new security provider, development of a new comprehensive mapping system, and implementation of a new electronic work order system for the clean and safe team to track requests. These internal changes helped to strengthen the BID's presence in the community, and this combined with increased outreach has driven up awareness in South Park of the clean, safe, and community services that we provide.

We have maintained and expanded services throughout the district, while still performing under budget in the first year of the BID (2013).

We are pleased to be able to continue to increase security and maintenance service levels in 2014, through new efficiencies in our operations, as well as engage in some special projects, including full implementation of an electronic security and maintenance work order system, creation of community events, increased marketing and outreach, and training for various members of the team.

**New security and maintenance plans:** The new equipment purchased in the past year has drastically improved our ability to clean and patrol the district. In 2014, the BID plans to hire an additional security officer, implement an improved merchant contact program, and continue targeted efforts on illegal vending, panhandling, and illegal dumping. We also will have the electronic work order system for security and maintenance, which was developed this past year, fully implemented and functional in 2014. The SP Neighborhood Watch meetings went very well in 2013, and we plan to host one per quarter in the coming year. Our SOBO (operations)



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committee will continue meeting every other month to discuss new and creative initiatives, while evaluating those already in place.

New marketing efforts: BID staff has been working with our marketing consultant on a comprehensive plan for 2014, including marketing tools, community events, and a sponsorship package to present to potential sponsors. The implementation of this plan will drastically impact our presence in the community and our ability to draw those from outside of South Park to our restaurants, retailers, housing, and events. These plans include physical marketing tools such as street banners and neighborhood identifiers, electronic advertisements and banners on local news websites, and food, music, and pet-related events throughout year. Additionally, we will be adding a mobile kiosk to the BID's external presence, complete with local restaurant and activity information, Wi-Fi, and sponsorship opportunities. A smart phone app is currently being developed, and will be ready for launch in 2014, giving residents and visitors a quick and easy way to connect with news, events, social media, and more. Our DISI (marketing) committee will continue meeting every other month to discuss new and creative initiatives, while evaluating those already in place.

New enhanced beautification and street services efforts: BID staff will move forward with implementing new street banners, street furniture (tables, chairs, umbrellas), appropriate way finding signage, planters, holiday decorations and bike racks and other features that enhance the area. Our EBO committee will continue to meet every other month to discuss and review these efforts.

New administrative efforts: BID Executive Director, Jessica Lall, will be chairing the Los Angeles BID Consortium in 2014 and 2015, which will give her a powerful platform to connect with government officials necessary to the progress of SP BID and BIDs throughout LA. We will continue our intern program, hosting 1-2 college students per semester, and will continue staff development with a training and leadership retreat for all operations supervisors and BID staff. The 2014 Board of Directors has recently been voted in, and will have focused development training as well in January.

### **2014 Activities and Improvements by Budget Category**

**1) Sidewalk Operation Services:** This operational category consists of providing security to the property owners and residents of South Park as well as maintaining the sidewalks, trees and public furniture (bus benches, etc.) and graffiti removal. Collectively, it is anticipated that the cost for all sidewalk operations (which include both security and maintenance) will be \$907,909 or 49.3% of the total budget.

Security: The security supplied by Streetplus beginning July 1, 2013 will continue in 2014. We are providing security 7 days a week. The new work order system will help streamline reporting and help will follow-up and shift changes. Reports of patrol findings will continue to be made on a daily basis and the findings will be posted in the monthly reports to the Board as well as to Neighborhood Watch. This report will be added to the monthly newsletter that is emailed to stakeholders.



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In addition, we will be continuing our efforts to combat illegal vending in the district, working with LAPD on an Illegal Vending Taskforce. Lastly, we will be working more closely with LAPD on Emergency Services Coordination and Emergency Preparedness efforts.

We also provide enhanced security services through coordination with the condo/apartment security companies and additional foot, bike, and Segway patrols. Additionally, we communicate regularly with the LA Convention Center security and assist them, especially when conventions are in town. Our security also works daily to deter skateboarding on the Convention Center property. BID security works frequently with AEG to assist with crowd control and traffic management issues created by the special event nature of these two venues.

Maintenance: The sidewalk maintenance supplied in 2013 by the Los Angeles Conservation Corps will continue in 2014. We now provide maintenance services 7 days per week. Streets and alleys are swept on a daily basis and bus benches and other street furniture are cleaned and power-washed, as needed. Graffiti and bulky items will be removed upon notification/identification (within 24 hours, usually less.)

**2) District Identity:** The District identity, marketing and promotion supplied in 2013 will continue in 2014, with the additional marketing outlined in the 2014 marketing plan. Our newsletters are produced monthly to help inform our stakeholders. Brochures will be created to display neighborhood identity and promote local businesses, and street banners and furniture will be placed on multiple streets. Our web presence will be increased through more social media outlets, contests on existing outlets, and more information on the existing website. We will also focus on initiatives that will cultivate a neighborhood identity by installing street banners and items to enhance the streetscape (planter, bike racks, etc.) Lastly, the Accendo database system not only will enhance our ability to provide better security and maintenance services, but also will better allow us to capture and communicate our work to our stakeholders.

The cost for District Identity, marketing and promotion is estimated \$261,100 or 14.2% of the budget for 2014.

**3) Enhanced Beautification & Sidewalk Services:** Specific blocks within the BID containing a high concentration of residential condos qualify for Enhanced Beautification Operations, and are thus assessed at a slightly higher rate. Work consists of daily sidewalk and gutter cleaning, enhanced pressure washing, installation of pet waste distribution stations, focused homeless intervention and security measures, and additional amenities to the sidewalk and street frontage. These amenities may include light pole banners, sidewalk, holiday decorations and hanging planters, additional street furniture, and public art. In 2014, the enhanced operations in these locations will continue, and the additional amenities will increase with the beginning of the year.

The cost for Enhanced Beautification and Sidewalk Services is estimated \$301,448 or 16.4% of the budget for 2014.

**4) Administration/Corporate Operations:** The District will continue to work in 2014 with the contracted BID management company (South Park Stakeholders Group, SPSG) for administration of the District services.



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SPSG leases or purchases offices, phone and other equipment, and holds contracts for Security, Maintenance, Marketing and other needed Administrative/Financial services. SPSG assures that its contractors complete all work. Additionally, SPSG works with the City of Los Angeles and handles all financial and administrative requirements. Lastly, SPSG keeps abreast of projects and legislative issues that may affect the BID and its stakeholders. This year, major projects include the opening of the Expo Line and related Metro improvements, and well as ongoing plans for Farmers Field, My Figueroa, and the Downtown Streetcar.

The cost of providing administration for the entire district for 2014 is estimated at \$238,938 or 12.9% of the total budget.

**5) Contingency/City Fees/Reserves:** The contingency for 2014 is used to cover uncollected assessments and unexpected expenditures.

The contingency for the entire district for 2014 is estimated at \$132,625 or 7.2% of the total budget.

**Total Estimate of Cost for 2014:\$1,842,020.**

A breakdown of the total estimated 2014 budget is attached to this report as Appendix A.

**Method and Basis for Assessment:** There is no CPI increase for 2014 and the method and basis for levying the 2014 assessment for the South Park Business and Community Benefit District remains the same as listed in the Management District plan: Four Benefit Zones with rates varying depending on frequency and type of service by linear frontage on all sides, except in Benefit Zone 2 where only the northern, southern and eastern frontages of the LA Convention Center is assessed. Services are only delivered on these sides of the Convention Center property. Residential condos are assessed a flat rate of \$0.30 per sq ft. Total assessment revenue for 2014 is \$1,842,020.

**Amount of Surplus/Deficit from Previous Fiscal Year:** Based on projected expenditures for December 2013 and the balance of accounts as of November 20<sup>th</sup> when this report was being drafted, the District is expected to not have a surplus or a deficit moving in to 2014.

**Amount of Contributions from other sources:**

The District anticipates receiving a grant for the creation and procurement of holiday decorations specifically for the use of marketing the District at the end of 2014. The approval of the grant is pending and the District expects notification of the award in August. If approved, the grant will be for \$5000.

The District anticipates selling off old equipment that is no longer being used for a total of around approximately \$2,000. The monies will be spent to purchase new equipment for the clean and safe team.

The District is planning on creating sponsorship opportunities on the BID website, social media, mobile kiosk and at community events. The monies received will go towards street furniture and district identity items to improve the neighborhood feel. Since this has not been done before, the BID approximates receiving anywhere between \$2,000 - \$15,000 from community partners.



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**APPENDIX A**

**GREATER SOUTH PARK  
PROPERTY BUSINESS IMPROVEMENT DISTRICT**

**2014 Annual Budget**

**APPENDIX A  
FY 2014**

	<b>TOTALS</b>
<b>Assessment Revenue</b>	<b>1,842,020</b>
Sidewalk Operation Services	907,909
District Identity	261,100
Enhanced Beautification & Sidewalk Services	301,448
Administration	238,938
Contingency/City Fees/Reserve	132,625
<b>Total Revenues</b>	<b>1,842,020</b>
<b>Sidewalk Operation Services</b>	
Contract Security Services	454,725
Vehicle Expenses	9,600
Telephone & Other	11,011
Salaries & Benefits - Security	45,473
Contract Maintenance Service	329,454
Sweeper Expenses	10,640
Field Supplies/Materials	7,480
Leased Equipment	7,040
Salaries & Benefits - Maintenance	32,486
<b>Sidewalk Operation Services Total Expenditures</b>	<b>907,909</b>
<b>District Identity</b>	
Community Development /Events	24,000
Marketing /Advertising/PR	86,500
Publications/Printing/Mailings/Website/Dues	19,500
Parking/Travel/Other	41,500
Salaries & Benefits - DI & Mktg	89,600
<b>District Identity Total Expenditures</b>	<b>261,100</b>
<b>Enhanced Beautification &amp; Sidewalk Services</b>	
Sidewalk Operation Services	226,977
Administrative	59,735
Contingency	14,736
<b>Enhanced Beautification &amp; Sidewalk Services Total Expenditures</b>	<b>301,448</b>
<b>Administration</b>	
Rent (705)	57,600
Telephone/Utilities/Repair & Maintenance	20,480
Office/Postage/Supplies	21,361
Computer and IT Expenses (715)	13,600
Insurance	24,240
Finance/Accounting/Bank	41,648
Legal (732)	4,000
Outside Services	5,200
Salaries & Benefits - Admin	50,810
<b>Administration Total Expenditures</b>	<b>238,938</b>
<b>Contingency/City Fees/Reserve</b>	
Uncollectible Assessments	36,840
Contingency Reserve	58,945
City Fee @ 2%	36,840
<b>Contingency/City Fees/Reserve Total Expenditures</b>	<b>132,625</b>
<b>Total Fees &amp; Expense</b>	<b>1,842,020</b>