

HOLLY L. WOLCOTT  
CITY CLERK

-----  
SHANNON D. HOPPES  
EXECUTIVE OFFICER

# City of Los Angeles

CALIFORNIA



ERIC GARCETTI  
MAYOR

OFFICE OF THE  
CITY CLERK

Neighborhood and  
Business  
Improvement District  
Division  
200 N. Spring Street,  
Room 224  
Los Angeles, CA. 90012  
(213) 978-1099  
FAX: (213) 978-1130

-----  
MIRANDA PASTER  
DIVISION MANAGER

[clerk.lacity.org](http://clerk.lacity.org)

January 19, 2017  
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 2017 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") 2017 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 the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, an Annual Planning Report for the District must be submitted for approval by the City Council. The Greater South Park Business Improvement District's Annual Planning Report for the 2017 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

## BACKGROUND

The 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 Council established the District pursuant to State Law.

## ANNUAL PLANNING REPORT REQUIREMENTS

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

improvements and activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of 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 10, 2016, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

#### FISCAL IMPACT

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

#### RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Greater South Park Business Improvement District's 2017 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 2017 fiscal year, pursuant to the State Law.

Sincerely,



Shannon D. Hoppes  
Executive Officer

Attachment:

Greater South Park Business Improvement District's 2017 Fiscal Year Annual Planning Report

January 13, 2017

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

Subject: Greater South Park PBID 2017 Annual Planning Report

Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, the Board of Directors of the Greater South Park Business Improvement District has caused this Greater South Park Business Improvement District Annual Planning Report to be prepared at its meeting on November 10, 2016.

This report covers proposed activities of the Greater South Park BID from January 1, 2017 through December 31, 2017.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Lall", is positioned to the left of a vertical line.

Jessica Lall  
Executive Director  
South Park Stakeholders Group, Inc.

Greater South Park  
Business Improvement District

2017 Annual Planning Report

### **District Name**

This report is for the Greater South Park Business Improvement District (District). The District is operated by the South Park Stakeholders Group, Inc, a California non-profit corporation.

### **Fiscal Year of Report**

The report applies to the 2017 Fiscal Year. The District Board of Directors approved the 2017 Annual Planning Report at the November 10, 2016 Board of Director's meeting.

### **Boundaries**

There are no changes to the District boundaries for 2017.

### **Benefit Zones**

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

### **2017 IMPROVEMENTS, ACTIVITIES AND SERVICES**

#### **Sidewalk Operation Services: \$1,018,434.00 (49.02%)**

This category includes all sidewalk cleaning services, steam cleaning services, graffiti removal, trash removal, private security services and administration services related to oversight of these services. These services equal \$1,018,434.00 or 49.02% of this year's budget for the district.

All services are special benefit services, over and above what the City of Los Angeles is currently providing to the individually assessed parcels. These services are implemented in all four benefit zones, at varying frequencies, and will provide a special benefit since each individually assessed parcel is receiving the services on a frequent basis between the curb and property line of that parcel. These special benefit services and their frequency are listed below.

Examples of these special benefit services and costs to the individually assessed parcels include, but are not limited to:

Safety services, with various frequencies for Benefit Zones, based upon the needs of individually assessed parcels within that Zone;

Regular sidewalk and gutter sweeping, provided at various frequencies for Benefit Zones,

based upon the needs of individually assessed parcels within that zone;

Sidewalk steam cleaning as needed due to draught;

Spot steam cleaning as needed due to draught;

Enhanced trash emptying, provided at various frequencies for Benefit Zones, based upon the needs of individually assessed parcels within that Zone;

Removal of bulky items as necessary;

Graffiti removal, within 24 hours as necessary;

Tree trimming, watering of the trees, and vegetation upkeep;

Equipment, supplies, tools;

Maintenance as needed for any District special projects (ie: Hope Street parklet, murals and utility boxes throughout the District);

Vehicle maintenance and insurance; and

Administrative services related to the execution of these services.

**District Identity: \$364,673.00 (17.55%)**

This category includes the newsletter, branding, publicity, special events, marketing and promotions, web site development and maintenance, holiday decorations, pedestrian and vehicular way-finding systems and administrative services related to oversight of these services. These services equal \$364,673.00 or 17.55% of this year's budget for the district.

All services are special benefit services, over and above what the City of Los Angeles is currently providing to the individually assessed parcels. These special benefit services are not funded by, and do not include Benefit Zone 2, Government owned buildings or residential condo individually assessed parcels.

Examples of these special benefit services and costs include, but are not limited to:

Special events such as the monthly Green Carpet series and increased resident engagement opportunities will continue;

Marketing and promotions strategies such as the monthly "South Park Post" newsletter and quarterly Neighborhood Guides will continue;

Holiday decorations, street banners and furniture will continue to be invested in for the

public's use;

Personnel related to Marketing and promotions;

Web site development and maintenance will continue with an enhanced social media strategy;

Advertising for commercial land uses;

Community identity and branding projects such as the District's Public Art Strategic Plan;

Wayfinding signage to promote the District for pedestrians and vehicles especially around the Pico Blue Line Station light rail station for individually assessed parcels in all four benefit zones; and

Administrative services related to the execution of these services.

**Enhanced Beautification and Sidewalk Services: \$306,025.00 (14.73%)**

This category is allocated predominantly to the blocks and areas which have condo residents. These services equal \$306,025.00 or 14.73% of this year's budget for the district. These services include administrative services related to oversight of these services as well as their share of contingency costs.

All services are special benefit services, over and above what the City of Los Angeles is currently providing to the individually assessed parcels. These services will be provided to those specific blocks and individually assessed parcels where there are buildings with high concentrations of residential condos. These special benefit services would be provided only in Benefit Zones 1, 3 and 4, where there currently is the highest concentration of these residential condos individually assessed parcels.

Examples of these special benefit services and costs include, but are not limited to:

Daily sidewalk and gutter sweeping on the frontages adjacent to the blocks with high concentrations of residential condo individually assessed parcels;

Steam cleaning, as needed due to the draught, on the frontages adjacent to the blocks with high concentrations of residential condo individually assessed parcels;

Installation, stocking and upkeep of pet waste distribution stations on the frontages adjacent to the blocks with high concentrations of residential condo individually assessed parcels;

Enhancement and beautification of sidewalks on the frontages adjacent to the blocks with high concentrations of residential individually assessed parcels;

Installation of hanging plants, planters and tree planting and upkeep in the sidewalks surrounding these blocks with high concentrations of residential condo individually assessed parcels;

Enhanced homeless intervention services on the frontages adjacent to the blocks with high concentrations of residential condo individually assessed parcels;

Enhanced safety in the evening hours, on the weekends and on holidays on the frontages adjacent to the blocks with high concentrations of residential condo individually assessed parcels;

Economic development efforts, focusing on retail attraction and key infrastructure projects will continue. District quarterly retail tours will take place to promote local businesses and provide retail opportunities;

Relations with developers will continue to ensure amenities are provided to the overall District as well as retail being a priority to continue the efforts in making South Park a livable community.

Other services requested by the residents that confer special benefit to the areas directly adjacent to the blocks with high concentrations of residential condo individually assessed parcels;

Proportional share of the Administrative and Contingency costs to cover the oversight of the Enhanced beautification special benefit services; and

Administrative services related to the delivery of these services, also a portion of the contingency budget.

**Administration & Corporate Operations: \$245,667.69 (11.83%)**

These services equal \$245,667.69 or 11.83% of this year's annual budget for the district. All services are special benefit services, over and above what the City of Los Angeles is currently providing to the individually assessed parcels.

Examples of these special benefit services and costs include, but are not limited to:

- Staff and administrative costs
- Vendor relations
- Operations
- Insurance
- Office related expenses
- Financial reporting
- Legal and accounting



**Contingency/City Fees/Reserve: \$142,619.00 (06.87%)**

This fund equals \$142,619.00 or 6.87% of this year’s budget for the district.

Delinquencies. A percent of the budget is held in reserve to offset delinquent and/or slow payment from both public and private properties.

City Fee and County fees. Assessments are budgeted to fund the expenses charged by the City of Los Angeles and County of Los Angeles for collection and distribution of District revenue.

Reserves. Reserves are budgeted for those funds that might remain from the 5% set aside, that are over and above those that have not been collected and are over and above the city fees. These reserves shall be carried forward from year-to-year, or may be reallocated to designated budgetary categories.

**Total Estimate of Cost for 2017**

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

**Method and Basis of Levying the Assessment**

The Method and Basis for levying the 2017 assessment remains the same as listed in the Management District Plan. Annual assessments are based upon an allocation of program costs and a calculation of assessable square footage and frontage for four (4) Benefit Zones with rates varying depending on frequency and type of service. All parcels in Zones 1, 2 & 4 are assessed by linear front footage on all sides, lot square footage and building square footage. In Benefit Zone 2, only the northern, southern and eastern frontages of the Los Angeles Convention Center are assessed. District Services are only delivered on these sides of the Convention Center property. Condos are assessed at a flat rate of unit square footage. The Board voted for no (0%) CPI increase for 2017.

2017 assessment rates:

Zone 1  
Frontage \$16.5375  
Lot \$0.072  
Bldg \$0.055

Zone 2  
Frontage \$16.5375

Zone 3

Frontage \$13.23

Lot \$0.072

Bldg \$0.055

Zone 4

Frontage \$11.025

Lot \$0.044

Bldg \$0.028

Residential Condo

Bldg \$0.331

**(There is No CPI increase for 2017)**

**Surplus Revenues: \$40,000.00**

At the end of 2016, the District will have an estimated \$40,000.00 of surplus revenue that will be carried over and included in the 2017 budget.

**Anticipated Deficit Revenues**

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

**Contribution from Sources other than assessments: \$0.00**

**APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Greater South Park BID- FY 2017**

	<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>	<b>Zone 4</b>	<b>Total</b>	
<b>2017 Assessments</b>	\$533,044.13	\$69,255.75	\$430,535.64	\$1,004,583.17	<b>\$2,037,418.69</b>	
<b>Estimated Carryover from 2016</b>	\$10,400.00	\$1,600.00	\$8,400.00	\$19,600.00	<b>\$40,000.00</b>	
<b>Other Income</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	
<b>Total Estimated Revenues</b>	<b>\$543,444.13</b>	<b>\$70,855.75</b>	<b>\$438,935.64</b>	<b>\$1,024,183.17</b>	<b>\$2,077,418.69</b>	
<b>2017 Estimated Expenditures</b>						<b>Pct.</b>
<b>Sidewalk Operation Services</b>	\$264,792.84	\$40,737.36	\$213,871.14	\$499,032.66	<b>\$1,018,434.00</b>	<b>49.02%</b>
<b>District Identity</b>	\$94,814.98	\$14,586.92	\$76,581.33	\$178,689.77	<b>\$364,673.00</b>	<b>17.55%</b>
<b>Enhanced Beautification and Sidewalk Services</b>	\$82,881.77	\$0.00	\$66,942.97	\$156,200.26	<b>\$306,025.00</b>	<b>14.73%</b>
<b>Administration &amp; Corporate Operations</b>	\$63,873.60	\$9,826.71	\$51,590.21	\$120,377.17	<b>\$245,667.69</b>	<b>11.83%</b>
<b>Contingency/City Fees/Reserve</b>	\$37,080.94	\$5,704.76	\$29,949.99	\$69,883.31	<b>\$142,619.00</b>	<b>06.87%</b>
<b>Total Estimated Expenditures</b>	<b>\$543,444.13</b>	<b>\$70,855.75</b>	<b>\$438,935.64</b>	<b>\$1,024,183.17</b>	<b>\$2,077,418.69</b>	<b>100%</b>

\*\* Non-regular budget item, not calculated as part of budget percentage.