



Attachment 1

Historic Downtown LA Business Improvement District
[Historic Core Business Improvement District/HCBID]
453 South Spring Street
Suite 1116
Los Angeles, California 90013

December 1, 2014

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

Subject: Historic Core PBID 2015 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 Historic Core Improvement District has caused this Historic Core Business Improvement District Annual Planning Report to be prepared at its meeting of November 19, 2014.

This report covers proposed activities of the Historic Core BID from January 1, 2015 through December 31, 2015.

Sincerely,


Blair Besten
Executive Director
Historic Core Business Improvement District

Historic Downtown LA
Business Improvement District
[Historic Core Business
Improvement District]

2015 Annual Planning
Report

2015 Annual Planning Report

District Name

This report is for the Historic Core Business Improvement District (District). The District is operated by Historic Core Business Improvement District Property Owners Association, Inc., a private non-profit organization.

Fiscal Year of Report

This report applies to the 2015 Fiscal year. The District Board of Directors approved the 2015 Annual Planning Report at the November 19, 2014 Board of Directors meeting.

Boundaries

There are no changes to the District boundaries for 2015.

North: 4th Street from Broadway to Main (plus adjoining alleys)

South: 7th Street from Broadway to Main (plus adjoining alleys)

East: Los Angeles from 4th to 6th Street (not including N,S,and E frontage on East buildings)

West: Broadway to Western alley

Also Broadway from 7th to 9th

(including Tower Theater and Eastern side of Hill Street from 9th to Olympic.)

A more detailed description of the boundaries is listed in the Management District Plan.

Benefit Zones

The District has one benefit zone. For 2015 there will be no changes to the District's benefit zone.

2015 Improvements, Activities and Services

Clean/Safe/Beautiful: \$1,280,605 (74%)

Sidewalk cleaning services are contracted directly to Chrysalis, a neighborhood, non-profit that offers employment opportunities to the chronically homeless or economically disadvantaged. Services are in place from 6:00am until 9:00pm, 7 days per week. Sweeper crews clean sidewalks and gutters. Additional services include power washing, graffiti removal, painting light posts, moving/replacing

trash cans as needed, and collects over 100,000 lbs of trash, including thousands of bulky items each year. The personnel will focus special attention to hot zones and areas of concern such as human and dog waste, and illegal dumping as reported by stakeholders.

Presently, HCBID contracts with Universal Protection Services for security and dispatch services. Patrol services are in place twenty-four (24) hours a day, seven (7) days per week. Safety personnel are deployed on bicycles, foot, segway, and truck, and maintain watches in heavily trafficked areas due to the increasing day and nightlife in the Historic area.

Communication/Development: \$166,015 (10%)

The primary focus of marketing the district includes participation in community events, website updates, a newsletter, branding and decorations, and outreach to bring business and enterprise to the neighborhood.

The HCBID continues to sponsor, in partnership, with Southland Farmers' Market Association, a weekly farmers' market geared towards Downtown residents. Over 20 vendors currently participate each Sunday.

The monthly Art Walk has been sponsored and services provided for by the HCBID. 2015 will include a continuation of the provision of Art Walk services and guidance in management of operations. Decorations will be placed in the district during the holidays.

The HCBID continues to work closely with the Historic Downtown Building and Merchants' Association. In this partnership, regular meetings are encouraged as outreach between historic district merchants in order to raise awareness of area quality of life issues, interfacing with LAPD, and working with each other for cross promotion and group discounts on area wide programs. Each quarter/season, ShopWalk brings thousands of visitors to the area, lured by discounts at local boutiques, bars, and restaurants.

The HCBID also participates in local initiatives such as Bringing Back Broadway, the Parklets program, the new Broadway Streetscape, DTLA Arts and Culture stakeholders group, Pershing Square Renew, Spring Street Park Advisory Board, the BID Consortium, Mayor's Great Streets Committee, LA Streetcar Board, the DTLA Street Closure Committee, the Central City Boosters, and the Community Police Advisory Board.

Administration/Corporate Operations: \$182,440 (10%)

HC BID employs a full-time executive director, a full time development associate, a contracted bookkeeper, and contracted accountant.

HC BID maintains an office within the district that is open Monday through Friday, 9:00am to 6:00pm. Regular committee meetings are hosted at the facility. A dedicated phone number for administration as well as a 24 hour hotline is maintained.

Additionally, the BID management team works with the City of Los Angeles in handling all reporting, financial and administrative requirements. They also coordinate all board activities, meetings, and reporting to and on behalf of the board.

City Fees/Slow Pay: \$111,500 (6%)

City Fees and other fees and slow pay encompasses uncollected assessments, and unexpected expenditures.

Total estimate of Cost for 2015: A breakdown of the total estimated 2015 budget is attached to this report as Appendix A.

Method and Basis of Levying the Assessment

The Method and Basis for levying the 2015 assessment remains the same as listed in the Management District Plan and is based on one (1) zone of benefit, an allocation of program costs and a calculation of assessable footage. Three property assessment variables, parcel square footage, building square footage and linear front footage will be used in the calculation.

Historic Core BID 2015 Assessment rates:

Parcel type	2015
<u>Non-gov Parcels</u>	
Frontage	23.5259
Lot	0.1307
Bldg	0.0476
<u>Public Owned Parcels</u> (9.8% discount Comm/Dev)	
Frontage	21.2222
Lot	0.1178
Bldg	0.0430
<u>Residential Condominium</u>	
Bldg Area only	0.2479

The District's Management District Plan allows for a maximum annual assessment increase of 5%. The Board voted for no increase for 2015.

The District's 2015 Total Assessment is \$1,633,308.64.

Surplus Revenues

At the end of 2014, the District will have an estimated \$102,252 of surplus revenue that will be rolled over into 2015 budget.

In 2014, the HCBID budgeted \$48,252 in delinquency reserve, in order to be conservative in the event we did not collect all anticipated assessments. We thought this especially prudent given that it was the first year under the new management plan. We ended up collecting \$29,365 more in assessments including penalties and interest than we budgeted. These combined items account for \$77,617 of the total \$102,252 surplus revenue. In addition, some costs that we anticipated incurring in 2014 were postponed until the current year. These include a website upgrade and a larger and more conveniently located office to better serve our constituents, including a build out of the new lease space.

We anticipate spending the surplus revenue on the items mentioned above that were not spent last year. In addition, we've hired additional staff, have planned

additional tree trimming, and increased community development and economic outreach in order to spend the bulk of the 2014 surplus.

The District Board of Directors authorized the rollover at the 11/19, 2014 Board of Director's meeting.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2015.

Contributions from Sources other than assessments: \$5,000

Grant from LADWP.

Appendix A

Historic Downtown Los Angeles Business Improvement District
2015 Annual Report
2015 Fiscal Year Activities Budget

Anticipated Assessment Revenue and Program Expenditures

2015 Revenue Sources

2015 Special Assessment	\$1,633,308.64	
2014 Carryover	\$102,252.00	
2015 Estimated Contributions/Other Sources	\$5,000.00	
2015 Total Estimate Revenue	\$1,740,560.64	

2015 Budget Expenditures

Clean/Safe/Beautiful	\$1,280,605.00	73.57%
Communication/Development	\$166,015.00	9.54%
Administration/Corporate Operations	\$182,440.00	10.48%
City Fees/Slow Pay	\$111,500.64	6.41%
2015 Total Estimated Expenditures	\$1,740,560.64	100.00%



