

City of Los Angeles

CALIFORNIA



ERIC GARCETTI
MAYOR

OFFICE OF
CITY CLERK
Neighborhood and Business
Improvement District Division

ROOM 224, 200 N. SPRING STREET
LOS ANGELES, CALIFORNIA 90012
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MIRANDA PASTER
ACTING DIVISION HEAD

January 9, 2014

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

Council District 11

REGARDING: THE GATEWAY TO L.A. (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 Gateway to L.A. Business Improvement District's ("District") 2014 fiscal year (CF 11-0045). 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 Gateway to L.A. 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 Gateway to L.A. Business Improvement District was established on December 14, 2005 by and through the City Council's adoption of Ordinance No. 177,211, 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 November 7, 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

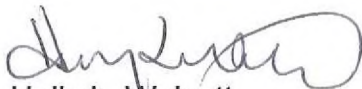
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

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

Sincerely,



Holly L. Wolcott
Interim City Clerk

HLW:MCP:RMH:ev

Attachment: Gateway to L.A. Business Improvement District's 2014 Fiscal Year Annual Planning Report

Attachment |

November 12, 2013

Mr. Eugene Van Cise
Office of the City Clerk
Special Assessments Section, BID Program
CITY OF LOS ANGELES
200 N. Spring Street
Room 224 City Hall
Los Angeles CA 90012

RECEIVED
NOV 27 2013
ADMIN. SVCS.
SPECIAL ASSESS.

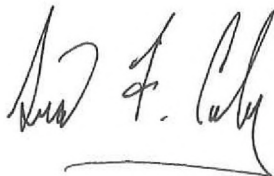
**Re: Gateway to L.A./Century Corridor PBID
Year 9 Report for Fiscal Year 2014**

Dear Mr. VanCise:

On behalf of the members of Gateway to L.A. business improvement district, I am hereby submitting the annual report for Year 9 of the Gateway to L.A./Century Corridor PBID, for Fiscal Year 2014, from January 1, 2014 through December 31, 2014, as approved by the Board of Directors of Gateway to L.A. at our November 7, 2013 meeting.

Please call me if you require additional information.

Very truly yours,



Grant Coonley,
President

2014 Annual Planning Report

Gateway to L.A. (Century Corridor) Business Improvement District

District Name: Gateway to L.A. (Century Corridor)

Fiscal Year of Report: This report applies to the 2014 Fiscal year only.

Boundaries: The boundaries for the Gateway to L.A. 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: Properties along the north side of Century Boulevard between La Cienega Boulevard and Sepulveda Boulevard, and along the south side of Century Boulevard from La Cienega Boulevard to Aviation Boulevard, and on the north side of 98th Street between Sepulveda Boulevard and Airport Boulevard. The district includes nearby properties that have addresses on La Cienega Boulevard, 102nd Street, 98th Street, Aviation Boulevard, Sepulveda Boulevard and Airport Boulevard.

Benefit Zones: The benefit zones for the Gateway to L.A. (Century Corridor) 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 Gateway to L.A. (Century Corridor) Business Improvement District in order by category as listed in the Management District Plan:

1) **Direct Programs –**

- A. **Ambassador Program** - Continuation of the Gateway to L.A. “Ambassador Program”, which includes an office at 6151 Century Boulevard, and ambassadors equipped with Nextel phones and bicycles deployed approximately 7 days a week, from approximately 7:00 AM to 8:00 PM. Gateway will continue to monitor the outside contractor (Universal Protection Services), which supplies and trains ambassadors. Ambassadors complete daily reports of patrol contacts which are available to members as requested. Monthly reports are supplied by head security officer and presented at board of director’s meetings. The purpose of the Ambassador Program is to help make Gateway a more pedestrian friendly environment for hotel guests, visitors, businesses and employees within Gateway’s boundaries.
- B. **Keep it Clean and Maintenance Program** - Continuation of the Gateway to L.A. “Keep it Clean” program, which provides ongoing street cleaning services including trash collection and graffiti removal. The purpose of the “Keep it Clean” is to continue efforts to beautify the Century Blvd. corridor making it a more desirable environment for hotel guests, visitors, businesses and employees within Gateway’s boundaries. Continuation of maintenance of center median landscaping between Aviation Boulevard and La Cienega Boulevard by outside contractor (Mariposa Landscapes). Regular tree trimming of trees along City sidewalks by contractor (Trimming Land Company).

- C. **Recycling Program** – Continued efforts to establish a comprehensive recycling program – Keep it Green - to facilitate ‘green’ certification of all member properties. Offering “recycling” events including document shredding (California Document Shredding) and E-Waste recycling.

The cost of the Direct Program Services for 2014 is estimated at \$419,000 or 27.88% of the budget.

2. **Marketing Programs**

- A. **Ocean Express Trolley** – Continuation of the Ocean Express Trolley which offers transportation for hotel guests, employees and visitors to the Century Corridor. The shuttle operates 7-days a week picking up at 5 locations along Century Blvd. and stopping at the Manhattan Beach Pier, the Manhattan Village shopping center, and Plaza El Segundo.

- B. **“Gateway to Lunch”** - Continuation of the “Gateway to Lunch” program, which is designed to bring together the office employees and the first-class hotel restaurants of the PBID. Thirteen restaurants are offering a 15% discount of food and beverages to employees and their guests at lunch time.

- C. **Gateway to Go!** – A weekly gourmet food truck lot providing alternative lunch choices for workers and attracting new business to the area. This event supports our mission to change the perception of the public about the Century Corridor..

- D. **Gateway View Quarterly Newsletter** - Continuation of the Gateway View quarterly newsletter, as a vehicle to communicate with all Gateway members and interested parties on a regular basis.

- E. **www.gatewaytola.org** - Continuation of www.gatewaytola.org the website for the Gateway BID, as a communication vehicle to members and interested parties, as well as a promotional tool for those seeking information about Gateway’s properties, businesses and amenities. Redesign and addition of new functions including production of a video and inclusion of e-brochures are on-going.

- F. **Gateway to L.A. Facebook Page** – Launched in 2010 to promote the Gateway to Go! weekly gourmet food truck lot, the Facebook page will continue to be updated to promote Gateway to L.A. events.

- G. **CoStar Banner Advertising** – Launched in August of 2013 to promote the office building market to the real estate broker community. Two banner ads linked to the Gateway to L.A. Website providing information on available office properties and future LAX / Metro / Economic Development plans for the area.

The cost of the Marketing Programs for 2014 is estimated at \$477,300 or 31.76% of the budget.

- 3. **Administration** – The District will continue to work in 2014 with the contracted BID management company for administration of the District services. The BID management company provides an office and a dedicated phone number for the District. It also holds contracts for Security, Maintenance, and Marketing services with various companies and ensures that all work is completed. Additionally, the BID management company works with the City of Los Angeles and handles all financial and administrative requirements. The cost of providing administration for 2014 is estimated at \$255,300 or 16.99% of the 2014 Budget.

4. **Consultant Services** - Gateway will continue to contract for and monitor the services of its outside vendors and service providers, including its outside accounting firm, legal counsel, public relations, economic development, planning and other consultants, as those services may be required. The cost of providing Consulting Services for 2014 is estimated at \$152,000 or 10.12% of the budget.
5. **Capital Reserves** – The Capital Reserves for 2014 will be 17.51% of the assessment budget and is used to cover uncollected assessments, unexpected expenditures and special projects. The 13.25% contingency for 2014 will be \$199,042.

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 for levying the 2014 assessment for The Gateway to L.A. (Century Corridor) Business Improvement District remains the same as listed in the Management District plan, which is as follows:

Privately Owned Parcels

Building (improved) Square Footage @ \$0.0416 per sq. ft.
Land Square Footage @ \$0.0756 per sq. ft.

Amount of Surplus/Deficit from previous Fiscal Year: Based on projected expenditures for December and the balance of accounts as of November 15th, the District is expected to have a surplus of \$225,000 from 2013 fiscal year to be carried over into the 2014 fiscal year. \$125,000 of the surplus is from unexpended Capital Reserves and the remaining \$100,000 is from the Marketing category due to income from the Ocean Express Trolley operation. Pursuant to the Council approved MDP and the terms of the administration contract with the City of LA, the surplus will be rolled over into the budget for 2014.

Amount of Contributions from other sources: The District anticipates receiving funds from ticket and advertising sales for the Ocean Express Trolley used to mitigate the expense of operating of the trolley service, and ticket sales to events. Estimated funds expected to be \$358,500.

Year 9
ANNUAL PLANNING REPORT

Estimated Revenue

2014 Assessment Revenue	919,142.00
2013 Carry-Over	225,000.00
2014 Contributions	<u>358,500.00</u>
Total Estimated Budget	1,502,642.00

Estimated Expenses

Direct Program Services

Wages & Benefits	320,000.00
Ambassador Program Equip. Rental	15,000.00
Sidewalk & Street Maintenance	42,000.00
Tree Trimming	10,000.00
Center Median Maintenance	24,000.00
Recycling Events	<u>8,000.00</u>

Total	419,000.00	27.88%
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Marketing

Printed Materials	28,000.00
Advertising	38,000.00
Events	57,300.00
Website	4,000.00
Ocean Express Trolley	<u>350,000.00</u>
	477,300.00

31.76%

Administration

Office Operations	100,000.00
Equipment / Phone	7,000.00
Executive Director Salary & Benefits	129,900.00
City Requirements / fees	<u>18,400.00</u>

Total	255,300.00	16.99%
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Consultant Services

Accounting / CPA Services	10,000.00
Legal Services & Government Affairs	141,000.00
Transit Consulting	<u>1,000.00</u>
	152,000.00

10.12%

Capital Reserves

Contingency	199,042.00
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13.25%

Total Estimated Expenditures	1,502,642.00
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