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November 9, 2017
Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council Districts 11

REGARDING:

THE GATEWAY TO L.A. (PROPERTY BASED) BUSINESS IMPROVEMENT
DISTRICT'S 2018 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") 2018 fiscal year (CF 14-0040). 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 Gateway to L.A. Business Improvement District's Annual Planning Report for the 2018 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 July 29, 2015 by and through the City Council's adoption of Ordinance No. 183769 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 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 October 9, 2017, 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 2018 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 2018 fiscal year, pursuant to the State Law.

Sincerely,



Shannon D. Hoppes
Executive Officer

Attachment:

Gateway to L.A. Business Improvement District's 2018 Fiscal Year Annual Planning Report

November 8, 2017

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

Subject: Gateway to L.A. PBID 2018 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 Gateway to L.A. Business Improvement District has caused this Gateway to L.A. Business Improvement District Annual Planning Report to be prepared at its meeting on October 9, 2017.

This report covers proposed activities of the Gateway to L.A. BID from January 1, 2018 through December 31, 2018.

Sincerely,

A handwritten signature in cursive script that reads "Laurie Hughes".

Laurie Hughes
Executive Director
Gateway to L.A.

Gateway to L.A.
Business Improvement District

2018 Annual Planning Report

District Name

This report is for the Gateway to L.A. Property-based Business Improvement District (District). The District is operated by Gateway to L.A., Inc., a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2018 Fiscal Year. The District Board of Directors approved the 2018 Annual Planning Report at the October 9, 2017 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2018.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2018.

2018 IMPROVEMENTS, ACTIVITIES AND SERVICES

Direct Programs : \$514,500.00 (50.01%)

a. Security / Goodwill Ambassador Program

This program utilizes security/goodwill ambassadors to create a visible presence to the individually assessed parcels within the District to foster a sense of safety for those parcels. Teams conduct bike patrols in the PBID 7 days a week.

b. Landscape Maintenance / Clean Streets & Sidewalk Program

These program activities include but may not be limited to street sweeping, sidewalk sweeping, sidewalk pressure-washing, trash pick-up and removal, graffiti removal, targeted major cleanups where needed, planting and tree trimming along the perimeter and medians, landscape maintenance, and other services.

c. Keep It Green Program

For the Keep It Green Program, the PBID hosts shredding events and electronic waste collection events.

Marketing Programs (Zone 1 only): \$190,109.32 (18.48%)

a. Marketing and Public Relations Efforts

Marketing may include, but is not limited to public relations, media placement of positive

stories concerning the PBID and its revitalization, utilization of the PBID website, publication of a quarterly newsletter, utilization of services such as CoStar Group to showcase office properties within the PBID, promotional events, advertising, mobile applications (“app”) implementation related to transportation access, continuing efforts to strengthen the PBID’s relationship with the Los Angeles Tourism & Convention Board, and maintaining and updating the Gateway to L.A. PBID website.

c. Gateway to Lunch Program

The Gateway to Lunch Program offers a discount on lunch at participating restaurants in hotels located in the PBID. Using the “Gateway to Lunch” card, restaurant patrons receive discounts off food and non-alcoholic beverages for themselves and their guests, as well as complimentary parking at any of the participating hotel restaurants. The card also allows for travel on the Ocean Express shuttle.

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b. Ocean Express Shuttle Service was discontinued effective October 1, 2017.

Administration: \$324,200.00 (31.51%)

Administrative services include compensation paid to the Executive Director for the PBID; administrative assistance provided to the Executive Director for word processing; expenses related to rent, stationery, postage, copies, faxes, vehicle mileage reimbursement, and may include other incidental items, insurance premiums (both General Liability coverage and Director & Officer Liability coverage), fees and expenses related to the renewal and adoption of the PBID for an additional term, the pursuit of grants and sponsorships, tax and accounting services, and legal services as needed to ensure accounting and legal compliance.

Total Estimate of Cost for 2018

A breakdown of the total estimated 2018 budget is attached to this report as **Appendix A**.

Method and Basis of Levying the Assessment

The Method for levying the 2018 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. Assessments are determined by lot square footage and building square footage. The assessment rates for 2018 are as follows:

Zone 1

Lot: \$0.0795 per square foot

Building: \$0.0396 per square foot

Zone 2

Frontage: \$4.3654 per linear foot

(There is a 3.0% CPI increase for 2018)

Surplus Revenues: \$0.00

There are no surplus revenues that will be carried over to 2018.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2018.

Contribution from Sources other than assessments: \$33,300.00

Membership Revenue - \$3,300

Event Revenue - \$25,000

DWP Grant - \$5,000

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Gateway to L.A. BID- FY 2018

	Zone 1	Zone 2	Total	
2018 Assessments	\$972,892.32	\$22,617.00	\$995,509.32	
Estimated Carryover from 2017	\$0.00	\$0.00	\$0.00	
Other Income	\$33,300.00	\$0.00	\$33,300.00	
Total Estimated Revenues	\$1,006,192.32	\$22,617.00	\$1,028,809.32	
2018 Estimated Expenditures				Pct.
Direct Programs	\$493,500.00	\$21,000.00	\$514,500.00	50.01%
Marketing Programs (Zone 1 only)	\$190,109.32	\$0.00	\$190,109.32	18.48%
Administration	\$322,583.00	\$1,617.00	\$324,200.00	31.51%
Total Estimated Expenditures	\$1,006,192.32	\$22,617.00	\$1,028,809.32	100%

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