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# City of Los Angeles

CALIFORNIA



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November 16, 2017  
Honorable Members of the City Council  
City Hall, Room 395  
200 North Spring Street  
Los Angeles, California 90012

Council Districts 1

## REGARDING:

THE LINCOLN HEIGHTS BUSINESS AND COMMUNITY BENEFIT DISTRICT  
(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 Lincoln Heights Business and Community Benefit District Business Improvement District's ("District") 2018 fiscal year (CF 14-0963). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Division 6, Chapter 9, Sections 6.600 to 6.620 of the Los Angeles Administrative Code (LAAC), an Annual Planning Report for the District must be submitted for approval by the City Council. The Lincoln Heights Business and Community Benefit District 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 Lincoln Heights Business and Community Benefit District Business Improvement District was established on July 29, 2008 by and through the City Council's adoption of Ordinance No. 180117 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 an 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 20, 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 Lincoln Heights Business and Community Benefit District Business Improvement District's 2018 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2018 budget concurs with the intentions of the Lincoln Heights Business and Community Benefit District Business Improvement District's Management District Plan and does not adversely impact the benefits received by assessed property owners.
3. ADOPT the attached Annual Planning Report for the Lincoln Heights Business and Community Benefit District Business Improvement District's 2018 fiscal year, pursuant to the State Law.

Sincerely,



Shannon D. Hoppes

Executive Officer

Attachment:

Lincoln Heights Business and Community Benefit District Business Improvement District's 2018 Fiscal Year Annual Planning Report

November 16, 2017

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

Subject: Lincoln Heights Business and Community Benefit District PBID 2018 Annual Planning Report

Dear Ms. Wolcott:

As required by Division 6, Chapter 9, Sections 6.600 to 6.620 of the Los Angeles Administrative Code (LAAC), the Board of Directors of the Lincoln Heights Business and Community Benefit District Business Improvement District has caused this Lincoln Heights Business and Community Benefit District Business Improvement District Annual Planning Report to be prepared at its meeting on October 20, 2017.

This report covers proposed activities of the Lincoln Heights Business and Community Benefit District BID from January 1, 2018 through December 31, 2018.

Sincerely,

A handwritten signature in cursive script that reads "Misty Iwatsu".

Misty Iwatsu  
Executive Director  
Lincoln Heights Benefit Assoc. of L.A.

Lincoln Heights Business and  
Community Benefit District  
Business Improvement District

2018 Annual Planning Report

### **District Name**

This report is for the Lincoln Heights Business and Community Benefit District Business Improvement District (District). The District is operated by Lincoln Heights Benefit Association of Los Angeles, 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 20, 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**

#### **Sidewalk Operations and Beautification: \$498,671.52 (74.00%)**

This category of the District's special benefit services and costs include, but are not limited to:

- Private security over and above those services currently provided by the Los Angeles Police Department;
- Regular sidewalk and gutter sweeping,
- Regular sidewalk steam cleaning
- Spot steam cleaning as necessary
- Beautification
- Enhanced trash emptying
- Removal of bulky items as necessary
- Graffiti removal, within 24 hours as necessary
- Tree and vegetation maintenance
- Parking assistance;
- Maintenance personnel and supervisor/oversight costs

#### **District Identity: \$40,432.82 (6.00%)**

This category of the District's special benefit services and costs include, but are not limited to:

- Special events
- Marketing and Promotions strategies

- Holiday decorations
- Web site development and maintenance
- Advertising
- Communications

**Administration and Corporate Operations: \$94,343.27 (14.00%)**

This category of the District's special benefit services and costs include, but are not limited to:

- Staff and administrative costs
- Insurance
- Office related expenses
- Financial reporting

**Contingency/City Fees/Reserve: \$40,432.82 (6.00%)**

This category of the District's special benefit services and costs include, but are not limited to:

- Delinquencies\*
- City Fees\*\*
- Reserves\*\*\*

\*Reserve for Slow Payments:

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

\*\*City Fees:

Assessments are budgeted in order to fund the expenses charged by the City of Los Angeles and County of Los Angeles for collection and distribution of LSPM PBID revenue. This line item expense shall be found in the "Contingency/City Fees/Reserve" portion of the budget.

\*\*\*Reserves:

Reserves are budgeted for those funds that remain from the 10% 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 the designated budgetary categories found within the Management District Plan.

**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 and Basis 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 linear street frontage, lot square footage, building square footage & assessable single-family residential building square footage with differing rates for each zone according to frequency and type of service and benefit received. The Board voted and approved a 3% CPI increase for 2018.

Zone 1

Frontage \$11.2584

Lot \$0.1126

Bldg. \$0.0563

Zone 2

Frontage \$5.6292

Lot \$0.0338

Bldg. \$0.0338

Zone 3

Broadway Frontage \$11.2584

Single Family Residential Units (Zone 1 & 2 only; built on commercially zoned parcels)

Bldg. \$0.3378

**(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: \$0.00**

**APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Lincoln Heights Business and Community Benefit District BID- FY 2018**

	<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>	<b>Total</b>	
<b>2018 Assessments</b>	\$485,193.91	\$175,208.90	\$13,477.62	<b>\$673,880.43</b>	
<b>Estimated Carryover from 2017</b>	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	
<b>Other Income</b>	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	
<b>Total Estimated Revenues</b>	<b>\$485,193.91</b>	<b>\$175,208.90</b>	<b>\$13,477.62</b>	<b>\$673,880.43</b>	
<b>2018 Estimated Expenditures</b>					<b>Pct.</b>
<b>Sidewalk Operations and Beautification</b>	\$359,043.50	\$129,654.59	\$9,973.43	<b>\$498,671.52</b>	<b>74.00%</b>
<b>District Identity</b>	\$29,111.63	\$10,512.53	\$808.66	<b>\$40,432.82</b>	<b>6.00%</b>
<b>Administration and Corporate Operations</b>	\$67,927.15	\$24,529.25	\$1,886.87	<b>\$94,343.27</b>	<b>14.00%</b>
<b>Contingency/City Fees/Reserve</b>	\$29,111.63	\$10,512.53	\$808.66	<b>\$40,432.82</b>	<b>6.00%</b>
<b>Total Estimated Expenditures</b>	<b>\$485,193.91</b>	<b>\$175,208.90</b>	<b>\$13,477.62</b>	<b>\$673,880.43</b>	<b>100%</b>

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