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April 29, 2020

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

Council Districts 11

**REGARDING: REVISED REPORT FOR
THE PACIFIC PALISADES (PROPERTY BASED) BUSINESS IMPROVEMENT
DISTRICT'S 2020 FISCAL YEAR ANNUAL PLANNING REPORT**

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Pacific Palisades Business Improvement District's ("District") 2020 fiscal year (CF 15-0460). 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 Pacific Palisades Business Improvement District's Annual Planning Report for the 2020 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Pacific Palisades Business Improvement District was established on June 26, 2015 by and through the City Council's adoption of Ordinance No. 183740 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 2, 2019, 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

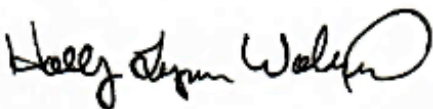
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Pacific Palisades Business Improvement District's 2020 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2020 budget concurs with the intentions of the Pacific Palisades 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 Pacific Palisades Business Improvement District's 2020 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott

City Clerk

Attachment:

Pacific Palisades Business Improvement District's 2020 Fiscal Year Annual Planning Report

April 28, 2020

Holly L. Wolcott, City Clerk
Office of the City Clerk
200 North Spring Street, Room 395
Los Angeles, CA. 90012

Subject: Pacific Palisades PBID 2020 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 Pacific Palisades Business Improvement District has caused this Pacific Palisades Business Improvement District Annual Planning Report to be prepared at its meeting on October 2, 2019.

This report covers proposed activities of the Pacific Palisades BID from January 1, 2020 through December 31, 2020.

Sincerely,

A handwritten signature in cursive script that reads "Rick Lemmo".

Rick Lemmo

Pacific Palisades Business Improvement District

Pacific Palisades
Business Improvement District

2020 Annual Planning Report

District Name

This report is for the Pacific Palisades Business Improvement District (District). The District is operated by the Pacific Palisades Business Improvement District Incorporated, a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2020 Fiscal Year. The District Board of Directors approved the 2020 Annual Planning Report at the October 2, 2019 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2020.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2020.

2020 IMPROVEMENTS, ACTIVITIES AND SERVICES

CLEAN and BEAUTIFUL: \$142,572.62 (68.39%)

In order to consistently deal with cleaning issues, a Clean and Beautiful Program is provided. A multi-dimensional approach has been developed consisting of the following elements:

Sidewalk Cleaning: Uniformed, radio equipped personnel sweep litter, debris and refuse from sidewalks and gutters and pressure wash the sidewalks within the District.

Trash Collection: Collector truck personnel collect trash from sidewalk trash receptacles as needed and are also dispatched to collect stolen shopping carts and large bulky items illegally dumped in the District.

Graffiti Removal: District personnel remove graffiti by painting, using solvent and pressure washing. The District maintains a zero tolerance graffiti policy. An effort is made to remove all tags within 24 hours on weekdays.

Landscape Maintenance/Tree Lighting: Landscape maintenance includes maintaining tree wells, street tree trimming, weed abatement and a tree lighting program on existing street trees.

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Sidewalk Cleaning: Chrysalis cleans our Village BID on Mondays and Fridays for 7 hours with 2 sweepers and a supervisor. In the 3rd Quarter, Chrysalis did monthly power washes covering the BID area in stages in an effort not to interrupt business. They did a more intensive job to remove gum and stains that might not be removed with a light wash.

Landscape Maintenance/Tree Lighting: All of the trees within our district were professionally trimmed in 2019, and will continue to be trimmed as needed. Landscape maintenance, by our clean team, includes maintaining tree wells and weed abatement.

It is our hope that as you look around our Pacific Palisades Business Improvement District you will see that it is comfortably cleaner and more enthusiastic each day.

COMMUNICATION/MARKETING: \$42,384.00 (20.33%)

Communication and Marketing programs may include some or all of the following elements:

- Quarterly Newsletter
- Pacific Palisades BID Website
- Social Media
- Customer Recruitment
- Pedestrian Use Improvement

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It is important to not only provide the services needed in the District, but to tell the story of improvement in the District. The special benefit to District individual assessed parcels from these services is a likelihood of increased commercial activity which directly relates to increases in lease rates and enhanced commerce.

In 2019, we redesigned our newsletter with better graphic design with a good response from our property owners, the BID members.

Our diverse Board of Directors are a group of property owners and concerned community members that represent the property owners in our district that chose to assess themselves to make sure the area of the Pacific Palisades Business Improvement are better.

Whether it is our regular cleaning and trash pickup schedule with Chrysalis, our encouragement to shop locally in our district, tree trimming or advocacy on issues related to input from the City of Los Angeles, it is our hope that the business and property owners notice a very positive difference. This is what our property owners voted for over four years ago and this is the kind of strong focus we look forward to providing with our upcoming district renewal.

MANAGEMENT/SLOW PAY/CITY FEES: \$23,510.00 (11.28%)

The improvements and activities are managed by a part time staff that requires centralized administrative support. Management staff oversees the District's services. Management staff actively works on behalf of the District parcels to insure that City and County services and policies support the District. Future costs to renew the District, conduct a yearly financial review as well as City fees, uncollectible assessments and depreciation are included in this budget item.

Management staff expenses are allocated according to generally accepted accounting job costing procedures and are allocated to the specific areas in which staff works. The special benefit to assessed parcels from these services is an effective and efficient delivery of District services through management staff oversight and an increased transparency of District programs and financial transactions.

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At our September BID Board Meeting, Marco Li Mandri of New City America presented a draft of the report for reformation of our BID. We approved the draft and budget. We are hoping to submit the report to the city before the end of the year. Our BID began January 1, 2016 and expires December 31 2020, a five year BID. This time our BID will request a 10 year Contract.

Finally, it is with much sadness that I announce that Elliot Zorensky submitted his resignation as President of the BID. Elliot Zorensky was one the main forces in creating this BID and his tireless efforts are much appreciated. For now, he is remaining on the board. Rick Lemmo has stepped into the role of President as we continue our quest to renew our BID and look forward to interest property owners with a fresh perspective.

Total Estimate of Cost for 2020

A breakdown of the total estimated 2020 budget is attached to this report as **Appendix A**.

Method and Basis of Levying the Assessment

The Method and Basis for levying the 2020 assessment remains the same as listed in the Management District Plan. The District's assessment formula is based upon an allocation of program costs and a calculation of assessable street front footage, building square footage and lot square footage. The Management District Plan allows for maximum annual assessment increase of 0%. The Board voted a 0% CPI increase for 2020.

Pacific Palisades 2020 assessment rates:

Non LAUSD/LA DWP Parcels
Front Footage \$4.0958
Building Sqft \$0.0664
Lot Sqft \$0.0411

LAUSD/LA DWP Parcels
Front Footage \$3.4331
Building Sqft \$0.0564
Lot Sqft \$0.0343

(There is No CPI increase for 2020)

Surplus Revenues: \$60,000.00

Surplus amount is derived from 2019. Our Reformation was much less than anticipated and the planned Tree Lighting project was deemed too expensive in the long run.

The Pacific Palisades BID plans to spend the rolled over funds of \$60,000 between July 2020 and December 2020 in the following manner:

Approximately 2/3, or \$40,000, to provide enhanced operational services to supplement the existing service provider, including cleaning and disinfecting of the district's common areas and procuring advice, guidance, purchasing and installation of various ornaments, decorations and supplies to improve the district's appeal.

Approximately 1/3, or \$20,000, to purchase planters, American flags and other decorations and materials for various events (4th of July parade, Halloween, December Holidays) in addition to a few thousand branded personal protective equipment (masks) to provide business owners and their employees.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2020.

Contribution from Sources other than assessments: \$0.00

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Pacific Palisades BID- FY 2020

2020 Assessments	\$148,466.62	
Estimated Carryover from 2019	\$60,000.00	
Other Income	\$0.00	
Total Estimated Revenues	\$208,466.62	
2020 Estimated Expenditures		Pct.
CLEAN and BEAUTIFUL	\$142,572.62	68.39%
COMMUNICATION/MARKETING	\$42,384.00	20.33%
MANAGEMENT/SLOW PAY/CITY FEES	\$23,510.00	11.28%
Total Estimated Expenditures	\$208,466.62	100%