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CITY CLERK

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CALIFORNIA



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January 11, 2017
Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council Districts 1

REGARDING:

THE GREATER CHINATOWN (PROPERTY BASED) BUSINESS IMPROVEMENT DISTRICT'S 2017 FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Greater Chinatown Business Improvement District's ("District") 2017 fiscal year (CF 12-0489). 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 Greater Chinatown Business Improvement District's Annual Planning Report for the 2017 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Greater Chinatown Business Improvement District was established on September 22, 2010 by and through the City Council's adoption of Ordinance No. 181313 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 December 8, 2016, 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 Greater Chinatown Business Improvement District's 2017 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2017 budget concurs with the intentions of the Greater Chinatown 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 Greater Chinatown Business Improvement District's 2017 fiscal year, pursuant to the State Law.

Sincerely,



Shannon D. Hoppes
Executive Officer

Attachment:

Greater Chinatown Business Improvement District's 2017 Fiscal Year Annual Planning Report

January 5, 2017

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

Subject: Greater Chinatown PBID 2017 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 Greater Chinatown Business Improvement District has caused this Greater Chinatown Business Improvement District Annual Planning Report to be prepared at its meeting on December 8, 2016.

This report covers proposed activities of the Greater Chinatown BID from January 1, 2017 through December 31, 2017.

Sincerely,

A handwritten signature in black ink, appearing to read "George Yu", written over a thin vertical line.

George Yu
Executive Director
Greater Chinatown

Greater Chinatown
Business Improvement District

2017 Annual Planning Report

District Name

This report is for the Greater Chinatown Business and Community Benefit Business Improvement District (District). The District is operated by the Los Angeles Chinatown Business Council, Incorporated, a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2017 Fiscal Year. The District Board of Directors approved the 2017 Annual Planning Report at the December 8, 2016 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2017.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2017.

2017 IMPROVEMENTS, ACTIVITIES AND SERVICES

Sidewalk Operations, Beautification: \$997,570.78 (55.80%)

The Sidewalk Operations, Beautification category consists of security and maintenance services for the District. Security consists of private security patrol 24 hours daily; on bike during the day and mobile officer in the evening. Maintenance includes sidewalk sweeping, steam cleaning/power washing, beautification and landscaping, trash disposal and emptying and the removal of bulky items and graffiti within 24 hours.

District Identity: \$347,859.00 (19.46%)

District identity includes special events like the Chinese New Year Festival, Chinatown Summer Nights and the Moon Festival. Other services are website upkeep, advertising partnerships with radio and magazine ads, though no agreements have been executed and other events and partnerships may arise as the year progresses.

Administration/Corporate Operations: \$296,264.00 (16.57%)

The District will continue to work with the contracted Los Angeles Chinatown Business Council (LACBC) for administration of the District services. Activities and services include an office, a dedicated phone number, working with the City of Los Angeles and handling all financial and administrative requirements as stipulated in the agreement (C-118431) with the

City.

Contingency/City Fees/Reserve: \$146,134.00 (08.17%)

Contingency funds are used to cover City fees, uncollected assessments and unexpected expenditures.

Total Estimate of Cost for 2017

A breakdown of the total estimated 2017 budget is attached to this report as **Appendix A.**

Method and Basis of Levying the Assessment

The Method for levying the 2017 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 footage for three (3) Benefit Zones. Assessments are determined by lot square footage, building square footage and linear frontage. The assessment rates for 2017 are as follows:

Zone 1

Lot: \$0.18 per square foot

Building: \$0.25 per square foot

Linear Frontage: \$ 20.03 per linear foot

Linear Frontage 2: \$10.02 per linear foot

Zone 2

Lot: \$0.14 per square foot

Building: \$0.20 per square foot

Linear Frontage: \$16.03 per linear foot

Linear Frontage 2: \$8.01 per linear foot

Zone 3

Frontage: \$16.03 per linear foot

There is a 5% CPI increase for 2017 that was approved by the BID Advisory Board on December 9, 2015. The 5% increase (\$79,885) will cover the minimum wage adjustments for workers under the Sidewalk Operations, Beautification category to maintain the same frequency of services currently being provided.

(There is a 5% CPI increase for 2017)

Surplus Revenues: \$0.00

There are no surplus revenues that will be carried over to 2017.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2017.

Contribution from Sources other than assessments: \$110,245.00

Other sources come in the form of programs revenue and voluntary assessments. These sources assist to off-set production expenses incurred for Chinatown events as well as any additional security and/or maintenance expenditures.

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Greater Chinatown BID- FY 2017

	Zone 1	Zone 2	Zone 3	Total	
2017 Assessments	\$475,047.83	\$1,019,794.18	\$182,740.77	\$1,677,582.78	
Estimated Carryover from 2016	\$0.00	\$0.00	\$0.00	\$0.00	
Other Income	\$29,750.00	\$60,650.90	\$19,844.10	\$110,245.00	
Total Estimated Revenues	\$504,797.83	\$1,080,445.08	\$202,584.87	\$1,787,827.78	
2017 Estimated Expenditures					Pct.
Sidewalk Operations, Beautification	\$260,863.53	\$560,786.14	\$175,921.11	\$997,570.78	55.80%
District Identity	\$108,292.22	\$239,566.78	\$0.00	\$347,859.00	19.46%
Administration/Corporate Operations	\$88,879.20	\$180,721.04	\$26,663.76	\$296,264.00	16.57%
Contingency/City Fees/Reserve	\$46,762.88	\$99,371.12	\$0.00	\$146,134.00	08.17%
Total Estimated Expenditures	\$504,797.83	\$1,080,445.08	\$202,584.87	\$1,787,827.78	100%