

CITY OF LOS ANGELES

CALIFORNIA



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MAYOR

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CITY CLERK
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MIRANDA C. PASTER
ACTING DIVISION HEAD

September 10, 2013

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

Council District 14

REGARDING: THE DOWNTOWN INDUSTRIAL DISTRICT BUSINESS IMPROVEMENT DISTRICT'S 2013 FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Downtown Industrial District Business Improvement District's ("District") 2013 fiscal year (CF 12-0931). 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 District's Annual Planning Report for the 2013 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Downtown Industrial District Business Improvement District was established on July 15, 2009 by and through the City Council's adoption of Ordinance No. 180801, 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 District Board has made no significant changes to 2013 budget from the 2012 budget categories. The descriptions of the budget categories have not changed from the approved Management District Plan.

The attached Annual Planning Report, which was approved by the District's Board at their January 22, 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

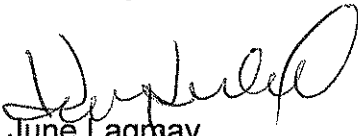
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Downtown Industrial District Business Improvement District's 2013 fiscal year complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the Downtown Industrial District Business Improvement District's 2013 fiscal year, pursuant to the State Law.

Sincerely,


June Lagmay
City Clerk

JL:HLW:MCP:RMH:rks

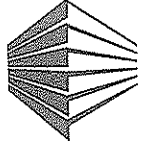
Attachment: Downtown Industrial District Business Improvement District's 2013 Fiscal Year Annual Planning Report

Central City East Association

CCEA

Business Improvement Districts

- Arts District
- Los Angeles Downtown Industrial District



Board of Directors

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Los Angeles Cold Storage

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Ore-Cal Corporation

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Jessica Whaley

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George Peterman

Deputy Director of Operations

Fred Faustino

Operations Supervisor

Edward Camarillo

January 22, 2013

June Lagmay
City Clerk
Office of the City Clerk
Los Angeles City Hall
200 North Spring Street Room 360
Los Angeles, CA 90012

RE:2013 Annual Planning Report for the Downtown Industrial District Business Improvement District (BID)

Dear Ms. Lagmay,

The Central City East Association (CCEA), a California non-profit organization, requested the Board of Directors (Advisory Board) of the Downtown Industrial District BID review the proposed 2013 budget and activities (attached). Through agreement number C-116178, CCEA contracted with the City of Los Angeles to manage services provided to the Downtown Industrial District BID.

During their meeting of January 22, 2013 the Downtown Industrial District BID Board of Directors reviewed, discussed and unanimously approved this 2013 Annual Planning Report.

On behalf of the Downtown Industrial District BID Board of Directors, I would like to present this approved 2013 Annual Planning Report for the Downtown Industrial District BID to the Office of the City Clerk and to the Los Angeles City Council for their review and approval.

Please contact me or our executive director, Estela Lopez, if you have any questions or need additional information.

Sincerely,

Larry Rauch, Chairman
Downtown Industrial District BID Board of Directors

Attachment 7

RECEIVED
2013 JAN 23 PM 3:05

RECEIVED
2013 SEP 11 AM 8:06
ADMINISTRATIVE
SERVICES DIVISION

ANNUAL PLANNING REPORT

For

**DOWNTOWN LOS ANGELES
INDUSTRIAL DISTRICT
Business Improvement District**

2013

2013 ANNUAL PLANNING REPORT

DOWNTOWN INDUSTRIAL DISTRICT BID

Supported by a coalition of property and business owners, the Los Angeles Downtown Industrial District BID (LADID) is a benefit assessment district that since its inception has benefitted the parcels within its boundaries. The district will continue its successful public safety and maintenance programs, trash/debris collection, stakeholder advocacy, economic development and communication services.

District Name: Downtown Industrial District BID

Fiscal Year of Report: This Annual Planning Report for the LADID is for Fiscal Year January 1 through December 31, 2013.

Boundaries: Boundaries of the District will remain the same in 2013 as in previous years, consistent with the boundaries set forth in the April 2009 Management District Plan, which are: On the West by San Pedro from 8th Street to 7th Street and both sides of San Pedro from 7th Street to 3rd Street. On the North by 3rd Street. On the East by Alameda Street. On the South by Olympic Boulevard and 8th Street. A more detailed description of the boundaries is listed in the April 2009 Management District Plan.

Benefit Zones: The benefit zones within the District will remain the same for 2013 as in previous years. There are two Benefit Zones, consistent with the April, 2009 Management District Plan. The boundaries of those benefit zones are as follows:

- Zone One is comprised of primarily smaller parcels than Zone Two with buildings that front on the street. Zone One contains the highest concentration of retail uses in the District, the highest pedestrian counts and the highest historical demand for clean and safe services. The west boundary for zone one is the west boundary for the District. The north boundary is 3rd Street. The east boundary is Central Avenue and the south boundary is 8th Street.
- Zone Two is comprised of primarily large parcels that are completely fenced and has a much lower historical demand for clean and safe services. Zone Two is predominately wholesale, industrial and market uses such as seafood markets, which have very little pedestrian traffic and operate predominately during the night hours. The west boundary for zone two is Central Avenue. The north boundary is 3rd Street. The east boundary is Alameda Street and the south boundary is Olympic Boulevard.

Non-profit parcels comprise their own special benefit category. While geographically dispersed throughout the District and not concentrated in one contiguous "zone," these parcels are assessed exclusively for their share of the District's Clean Team sidewalk sanitation services. A detailed explanation of this cost-benefit ratio can be found on Page 8 of this report.

Improvements and Activities for 2013: The following are the improvements and activities planned by the Downtown Industrial District BID in order by category as listed in the Management District Plan.

These activities and improvements are intended to stimulate commerce and improve the business environment within District boundaries by making each individual assessed parcel safer, cleaner and more attractive, which will encourage investment dollars in the District and increase business recruitment and retention. These activities specially benefit each individual assessed parcel, including commercial, industrial, government, and residential. Non-profit parcels benefit specifically from the sidewalk cleaning programs.

1. Downtown Industrial District BID Safe Team

The Downtown Industrial District Business Improvement District Safety Program will continue providing security services within the District in the form of roving uniformed bicycle and vehicle patrols. The LADID boundaries include Los Angeles' skid row, acknowledged as the area with the nation's highest concentration of homeless and unsheltered individuals. The area is also home to a centralized network of social services for the mentally ill, indigent and formerly incarcerated. This presents unparalleled challenges to the economic viability of the District, once a center of the City's thriving industrial economy.

The purpose of the Safe Team Program is to deter, respond to and report illegal activities taking place on the streets, sidewalks, storefronts, parking lots and alleys. The presence of the Safe Team Program is intended to address such illegal activities as public urination, indecent exposure, trespassing, drinking in public, prostitution, aggressive panhandling, illegal vending, illegal dumping and scavenging. The program supplements, but does not replace, other ongoing police or private security efforts within the District. The Safe Team Program will maintain communication with the Los Angeles Police Department (LAPD) area patrols and will report illegal activities to the LAPD. The Safe Team Program will only provide its services within the District boundaries. The benefit to property owners from these services is increased commercial activity which directly relates to increases in lease rates and customer usage.

Generally, the frequency of security patrols will be highest in Benefit Zone 1 because it is the zone that experiences the greatest impact from homeless encampments and associated crime factors. Zone 2 will receive a lower frequency of security patrols due to its lesser foot traffic, larger parcels with building activity recessed from the sidewalk and its relative distance from the highest impacts of the homeless population. The difference between levels of security services in Zone 1 and Zone 2 is reflected in the assessment charges related to each Zone, as specified in the Management District Plan.

The District's security officers are provided under contract with Universal Protection Services (UPS). The comprehensive services of the Safe Team are as follows:

- **Bicycle and Vehicle Patrol**

The seven-day bike and vehicle patrol is deployed from 5am to 9pm throughout the District. Patrols focus on prevention of quality-of-life crimes and anti-social street behavior that leads to blight and disorder. The Safe Team's presence is a deterrent to a multitude of crimes as previously mentioned and is also often called upon to provide help for sick and injured unsheltered individuals. They also provide emergency traffic control in the event of accidents, fires or unusual occurrences until City personnel arrive.

In 2010, upon renewal of the Downtown Industrial District BID, the Bike Patrol's services were increased by the addition of a new "swing shift," deployed from noon until 9pm Monday through Friday. The purpose of this new shift was to increase crime prevention and suppression services beyond the traditional mid-afternoon close-of-business in this industrial area. This has proven to be an outstanding benefit to business and properties both due to the reduction of after-hours criminal activity and in the amount of vandalism and trash accumulation that normally occurs after businesses close for the day. LAPD credits the addition of this shift for a dramatic decrease in quality-of-life offenses in the late afternoon and early evening hours within the BID area.

- **Night Vehicle Patrol**

The Night Vehicle Patrol drives along street frontages to deter or address unlawful activity within the District until 2am nightly. The night patrol deters and responds to reports of inappropriate behavior throughout the District, and is especially effective at preventing graffiti tagging and illegal dumping. The night patrol maintains communication with LAPD area patrols and with private security at individual properties. The night patrol responds to calls for assistance from tenants and property owners. The vehicle patrol provides services to parcels within District boundaries only.

In 2012, the LADID Safe Team handled 25,555 public safety incidents, provided 1,792 extra patrols at locations experiencing an unusually high number of quality-of-life violations or in response for assistance for special events.

In addition to bicycle and vehicle patrol services, the Downtown Industrial District BID also provides:

- **Computerized District Mapping & Response** The BID employs a specialized GIS mapping system that allows tracking of public safety incidents as they occur, and identification of trends and patterns for security and maintenance deployment. The system also allows the BID to provide City departments such as City Attorney, LAPD, and the Bureau of Street Services with specialized information to assist and support policy changes that will address a breadth of quality-of-life issues. The BID can now perform real-time tracking of more than 70 public safety and maintenance incidents. This allows staff to track "hot spot" locations and develop preemptive problem-solving strategies.
- **Safer Cities Initiative Coordination** The BID maintains a strong relationship with the LAPD's Safer Cities Initiative (SCI) officers deployed in Central City East, and with the various other City departments. The public health and safety of

skid row is paramount to achieving both the high objectives of the multitude of social service providers within the District, but also to maintaining a safe environment for the business community.

- **Homeless Service Referral** The BID will continue its operation of the Personal Property Check-in Center. The Center, open seven days a week, provides a secure site for homeless individuals to store personal possessions. The only facility of its kind in Los Angeles, the Center celebrated its tenth anniversary in 2012. During last year's Operation Healthy Streets initiative, during which the City provided intensive clean-up of hazardous waste on skid row, the facility was expanded yet again. It now serves more than 1100 homeless individuals who are able to keep their possessions in the Center and off District sidewalks. This most recent expansion was subsidized by a grant from the LA Homeless Services Authority (LAHSA).

Additionally, in 2013, the BID will conduct an assessment of the concentration of liquor licenses called legal non-conforming ("grandfathered") liquor licenses that operate in the District unregulated and without any performance standards from the City. The existence of these types of liquor establishments is believed to significantly contribute to the criminal activity and anti-social behavior of residents in and visitors to the District. Police and BID statistics show the correlation of alcohol-related crime to these locations. The City and the LAPD are severely limited in their abilities to regulate legal non-conforming licenses. The District is host to the nation's largest concentration of substance abuse recovery programs, yet there are 11 legal non-conforming liquor-licensed establishments within the District and another 14 such establishments immediately outside District boundaries. The BID will present its findings and seek the City's support to address this problem.

The cost of providing these enhanced safety programs for 2013 is estimated at \$948,020 or 47% of the total budget. This provides a benefit zone budget breakdown of \$730,923 for Benefit Zone 1 and \$217,097 for Benefit Zone 2. Benefit Zone funds can only be used within the specific Benefit Zones for which the Board has designated them, and cannot be shared, transferred, or borrowed between Zones.

2. Downtown Industrial District BID Clean Team

In order to consistently address the public space sanitation concerns within a district with nearly a thousand individuals living or loitering on the public sidewalk daily, the BID's public space sanitation efforts will be continued and expanded again in 2013. The Clean Team will only provide service within District boundaries.

The BID sidewalk sanitation personnel are provided under contract with Universal Building Maintenance Services.

A comprehensive approach is in place from previous years that attempts to address the complexity of the District's public space sanitation issues. Uniformed, radio equipped personnel sweep litter, debris and refuse from sidewalks and gutters of the District.

Collector truck personnel collect trash several times a day from 28 sidewalk trash receptacles maintained exclusively by the BID.

In addition to sweeping and collecting trash, the Downtown Industrial District BID also provides:

- **Sidewalk Pressure Washing:** A program of regularly scheduled sidewalk pressure washing is a priority service to our stakeholders in order to address sidewalk cleanliness issues that go beyond sidewalk sweeping and trash removal. Due to the concentration of persons living and loitering on the sidewalks of the District, which encompasses roughly 80% of Los Angeles' skid row, the BID provides pressure washing five days a week. All sidewalks within the BID boundaries are pressure washed at least once a month, with a more frequent schedule for sidewalks where the concentration of unsheltered "homeless" individuals is highest.
- **Alley Maintenance:** The clean team and safe team each have responsibility for alley sanitation. Safety personnel survey and report property/business owners' compliance of City code issues relating to cleanliness of sidewalks, alleys and illegal dumping. The clean team clears alleys of debris when a responsible party cannot be found for illegal dumping or other violations.
- **Graffiti Removal:** BID sanitation team members remove graffiti by painting, using solvent or pressure washing. The District maintains a zero tolerance graffiti policy. An effort is made to remove all tags within 24 hours on weekdays. In addition, for the past five years, the BID has participated in a cooperative effort with the Los Angeles City Attorney's office to inform property owners of their responsibility to remove graffiti from areas of their property inaccessible to BID paint-out crews. In 2012, the BID removed 593 graffiti taggings from within District boundaries.
- **Weed Abatement:** Weeds are removed from sidewalks and parkways as they become unsightly or by special request.
- **Paper Sign and Handbill Removal:** Paper signs and handbills that are taped or glued on public property, utility boxes, poles and telephones are removed by hand or when necessary by high-pressure hose.
- **Problems Requiring Third Party Intervention:** Problems are monitored that create blighted or unsafe conditions within the District, but are not within the authority/jurisdiction of the BID to repair or correct. Requests are made to the responsible party/agency for the repair within the District boundaries. Types of problems include blocked or damaged sewers or drains, damaged sidewalks/streets/alleys, non-operating streetlights, damaged or missing street signs, etc

- **Illegal Dumping:** The BID implements strategies to combat and reduce the instances of illegal dumping of trash, green waste and bulky items throughout the District. Additionally, BID public safety officers and Clean Team members have received training by the City of Los Angeles Street Services Bureau enabling the BID officers to issue warnings to violators and provide evidence to City inspectors. This leads to more effective prosecution of violators and eventually to greater compliance with existing laws.

Expanded services beginning in 2013 will include:

- **Annual tree-trimming:** City budget cuts have necessitated that the BID expand the scope of its activities to include tree trimming throughout the District. In 2012, the Board identified and approved \$20,000 of prior-BID funding to be used for this purpose in 2012. This rollover revenue represented a portion of funds from the 2005-2009 BID term, which contained surplus funds due to a successful rate of delinquent assessment collections. This funding was used in 2012 to provide tree trimming services to nearly 100 trees, a service never before provided by the BID but that had become a priority due to documented increases in criminal activity beneath trees with overgrown canopies. The larger canopies provide convenient hiding spots for stashing of illegal substances and block the illumination from City street lights creating a dark and dangerous environment along streets and sidewalks. The BID has closely monitored canopy re-growth to determine the frequency with which this service should be provided. During 2012 it became apparent that some, but not all, trees would require trimming on an annual basis. Therefore, the Board has made the required adjustments to the BID's current annual operating budget to address this need. Therefore in 2013, the BID will re-trim approximately 90 especially aggressive ficus trees in the most crime-prone areas of the District. It is not anticipated that the entire inventory of 100 trees will need to be done more frequently than on an every-other-year basis.
- **Monday trash removal:** The District is experiencing an increase in the number of public sidewalk feedings throughout skid row. This is especially the case on Sundays. This creates an almost untenable trash situation on Monday mornings when businesses resume their work week. The BID will increase its maintenance personnel on Monday mornings by four additional sweepers. This will allow for sidewalks to be cleared of trash, debris and rotting food in a reasonable time.

The total cost of providing these sanitation services for 2013 is estimated at \$504,266 or 25% of the budget. This provides a benefit zone budget breakdown of \$352,438 for Benefit Zone 1, \$104,619 for Benefit Zone 2 and \$47,209 for Non-Profits (see below for explanation of Non-Profit special benefits). Benefit Zone budgeted funds can only be used within the specific Benefit Zone for which the Board has allotted and cannot be shared, transferred, or borrowed between Zones.

***Non-Profit Parcels** - District parcels owned and occupied by non-profit social service providers (non-profit parcels) do not receive the same level of special benefits from the District meeting its goals of improving the appearance and safety of the District, to increase building occupancy and lease rates, to encourage new business development and attract ancillary businesses and services as do all of the other parcels within the District. These service providers provide shelter and programs. Clients of non-profit social service providers within the District do not have a discretionary choice of where to obtain their services as compared to a customer of a for-profit business who has several choices of where to buy products and services. Clients of these service providers are not attracted to the providers because of a safe environment. These providers will not specially benefit from the safe programs provided by the BID and will only benefit from the BID's sanitation services.*

Because of the differences between for-profit and non-profit clients as discussed above, , non-profit parcels do not receive special benefits from the BID's safe programs, economic development programs or district administration. Non-profit parcels do receive special benefits from the BID's sanitation programs that provide a healthier environment for their employees and clients. These programs therefore provide special benefits to the non-profit parcels.

Non-profit parcels will only pay their share of the BID's sanitation programs. The non-profit share is calculated by taking the total lot square footage of non-profit parcels (789,470) and dividing it by the total lot square footage of the District (9,275,432) to arrive at 8.5% of the total lot square footage owned by non-profit parcels. The total budget for District sanitation programs is \$504,266; the non-profit share of these programs is $\$504,266 \times 8.5 = \$42,863$. The assessment rate for District parcels that are owned and operated by non-profit social service providers is $\$42,863 / 789,470$ lot square feet = $\$0.0543$ per lot square foot. (For a complete listing of parcels owned by non-profits, please refer to the 2009 Management District Plan.)

3) Economic Development and Communications (ED&C)

The economic development and communications program is included as a key component of the BID's mission to benefit parcels within its boundaries. Activities within this portion of the BID's work plan are specifically designed to proactively position the District as attractive for investment and business development. These activities ultimately enhance efforts to fill office and commercial vacancies with targeted businesses, and bring more residents and visitors to the District to engage in commercial or business activities. A collaborative approach is proposed, working with multiple property owners and real estate professionals, and with civic leaders, to promote the advantages of the District as a business location. Each individual assessed parcel receives receives special benefit from these activities through higher rates of business retention and recruitment, increased customer traffic and commercial activity, filling of vacant or underutilized space and increased lease rates.

Additionally, the BID consistently monitors and often proposes policies or legislation with a direct impact on land use or commercial viability within the District, such as the City's emphasis on Clean Tech industries or the expansion of creative office uses within buildings historically designated for traditional industrial uses.

The Downtown Industrial District provides:

- **Quarterly Newsletter** A newsletter is prepared at least once each quarter and is distributed via e-mail blast and U.S. mail to all parcel owners. The BID also informs a larger district stakeholder database (tenants and residents) of "breaking" news and information important to the District via e-mail or by postings on the BID website.
- **Public Policy Forums** BID staff are routinely invited to participate in community advisory committees, government workshops and other public meetings to provide proactive input on projects, policies and programs affecting the BID area. Presently, BID staff participates in the following regular committees: the 6th Street Viaduct Community Advisory Committee, the Los Angeles Central Providers Collective, the Los Angeles Mobility Element Task Force, the Metro Regional Connector Community Leadership Council, and the Los Angeles BID Consortium.
- **Media Relations** The BID responds to a high number of press inquiries as well as work pro-actively to create media opportunities for the Industrial District and its stakeholders. Much of the news media coverage is on the BID's interactions with in the Skid Row community. The BID also submits op-eds and commentaries on issues of importance to the District.
- **Liaison with Civic Leaders and Government Officials** The BID has excelled in establishing itself as an information clearinghouse for the Industrial District. The BID alerts parcel owners of proposed actions by City departments; examples include public hearings, zone change notices, abatement of nuisance properties, or applications for new alcohol-licensed establishments. The BID also represents its Board of Directors at civic meetings and hearings, and provides testimony or written comment on proposed projects or legislation.

Additionally, in 2013, the BID will work to advance a proposal it presented in October to the Office of Councilman Jose Huizar to develop a new land use ordinance that would make it easier and less expensive for developers to turn antiquated, underutilized industrial buildings into hubs for modern businesses and technologies. Presently, outdated codes make it cost-prohibitive to do so. The new ordinance would be modeled after the successful adaptive reuse ordinance in place along the Downtown historic core. The Councilman has signaled tentative support for the proposal. The BID's role would

be to continue advocacy for the proposal and convening District stakeholders to form an advisory council that would work cooperatively with the Council office on the development of the ordinance.

The total cost for ED&C for 2013 is estimated at \$161,365 or 8% of the budget. This provides a benefit zone budget breakdown of \$124,412 for Benefit Zone 1, and \$36,953 for Benefit Zone 2. Benefit Zone budgeted funds can only be used within the specific Benefit Zone for which the Board has allotted and cannot be shared, transferred, or borrowed between Zones.

4) Administration

The Central City East Association (CCEA), the BID management company, will continue to provide administration of District services. CCEA provides office space and personnel for the BID. It also holds contracts for Security, Maintenance, and Economic Development/Communications services with various vendors and ensures that all work is completed. Additionally, CCEA administers all financial and administrative requirements as stipulated in its agreement C-116178 with the City.

The cost of administration for the Downtown Industrial District BID in 2013 is estimated at \$201,706 or approximately 10% of the 2013 Budget. As outlined in the Management District Plan and Engineers Report, this cost is broken down by the total budget percentages allotted to each Zone. This provides a 2013 benefit zone budget of \$155,516 for Benefit Zone 1, and \$46,191 for Benefit Zone 2.

5) **Uncollectable Assessments:** In 2013 6% of the budget and will be used to cover uncollected assessments and unexpected expenditures. This amount is equal to \$121,024.

Total Estimate of Cost for 2013: A breakdown of the total estimated 2013 budget is attached to this report as Appendix A. Board approval to increase the 2014 assessments by two percent took place at its monthly meeting on May 4, 2012.

Method and Basis of Assessment: The Method and Basis for levying the 2013 assessment for the Downtown Industrial District BID is as follows:

	Zone One	Zone Two	Non-Profit Parcels
Assessment per Lot Square Foot	\$0.3258	\$0.1082	\$0.0624

Amount of Surplus from previous Fiscal Year: The District is expected to have a surplus of \$50,000 from the 2012 fiscal year. The Board has designated \$20,000 of the 2012 surplus towards tree trimming services in 2013. The remaining \$30,000 surplus will remain in the category set aside for uncollectable assessments. There is no deficit from 2012 to be carried over. The surplus of \$50,000 is from the uncollectable assessments category due to a

very successful rate of collections in 2012. If the rate of successful collections continues in 2013, the Board will consider actions to use the remaining \$30,000 surplus elsewhere within the budget categories for the 2013 budget year.

Amount of Contributions from other sources: The District anticipates receiving a grant in 2013 from the Los Angeles Department of Water and Power to reimburse the BID for the creation and procurement of small-scale economic development or marketing projects incurred during 2012. Notification of award is usually received during the first quarter of every year. If approved, the grant will be for \$5,000.

APPENDIX A
FY 2013 BUDGET

APPENDIX A
FY 2013

	2013 BUDGET			TOTAL 2013
	Benefit Zone 1 75.9%	Benefit Zone 2 21.7%	Benefit Zone 3 (Non-Profit) 2.4%	
Assessment Revenue	1,492,973	426,845	47,209	1,967,026
Carryover funds from 2012				50,000
Total Revenues				2,017,026
Uncollectable Assessments	93,308	27,714		121,022
Reserve	31,103	9,238		40,341
City Fee @ 2%	31,103	9,238		40,341
Security				
Security Guard Contract	511,543	151,937		663,480
Salaries & Benefits	119,251	35,419		154,670
Auto/Bikes/Supplies/Uniforms	65,907	19,576		85,483
Rent - Control Center	17,314	5,142		22,456
Data Software/Utilities/Phone/Other	16,909	5,022		21,931
Security Subtotal	730,923	217,097		948,020
Maintenance				
Contract Services	167,549	49,736	22,443	239,728
Salaries & Benefits	36,404	10,806	4,876	52,087
Auto/Supplies/Uniforms	28,544	8,473	3,823	40,840
Check In Center	22,159	6,578	2,968	31,705
Trash Removal/Bags/Receptacles	28,823	8,556	3,861	41,240
Sidewalk Pressure Washing	54,981	16,321	7,365	78,666
Tree Trimming	13,978	4,149	1,872	20,000
Maintenance Subtotal	352,438	104,619	47,209	504,266
ED&C				
BID Renewal Costs	19,275	5,725		25,000
Outside Services/PR	16,268	4,832		21,100
Salaries & Benefits	84,425	25,076		109,500
Website/Newsletter/Holiday Decorations	4,445	1,320		5,765
ED&C Subtotal	124,412	36,953		161,365
Administration				
Salaries & Benefits	38,178	11,340		49,518
Rent	15,826	4,701		20,527
Finance/Accounting/Bank	53,931	16,019		69,950
Insurance	3,855	1,145		5,000
Legal	12,336	3,664		16,000
Office/Lease/Expense/Supplies	21,233	6,306		27,539
Telephone & Utilities	10,129	3,009		13,138
Administration Subtotal	155,489	46,183		201,672
Total Fees and Expenses	1,518,776	451,041	47,209	2,017,026