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February 7, 2018

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

Council Districts 4, 5, 13

REGARDING:

**THE HOLLYWOOD MEDIA 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 Hollywood Media District Business Improvement District's ("District") 2018 fiscal year (CF 12-0963). 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 Hollywood Media 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 Hollywood Media District Business Improvement District was established on July 30, 2014 by and through the City Council's adoption of Ordinance No. 183155 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 August 17, 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

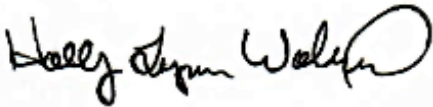
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Hollywood Media District Business Improvement District's 2018 fiscal year complies with the requirements of the State Law
2. ADOPT the attached Annual Planning Report for the Hollywood Media District Business Improvement District's 2018 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott
City Clerk

Attachment:

Hollywood Media District Business Improvement District's 2018 Fiscal Year Annual Planning Report

February 7, 2018

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

Subject: Hollywood Media District 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 Hollywood Media District Business Improvement District has caused this Hollywood Media District Business Improvement District Annual Planning Report to be prepared at its meeting on August 17, 2017.

This report covers proposed activities of the Hollywood Media District BID from January 1, 2018 through December 31, 2018.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Schechter".

Lisa Schechter
Executive Director
Hollywood Media District Property Owners

Hollywood Media District Business Improvement District

2018 Annual Planning Report

District Name

This report is for the Hollywood Media District Business Improvement District (District). It is operated by Hollywood Media District Property Owners Association, Inc., a private non-profit organization.

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 August 17, 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

Streetscape Services: \$293,480.74 (24.00%)

Uniformed clean teams will provide enhanced maintenance services, including sidewalk sweeping and litter removal, bus stop cleaning, sidewalk washing, graffiti removal and "Rapid Response Team" for clean-up of unusual maintenance problems, such as illegal dumping. A higher frequency of maintenance service is proposed for the "Premium Service Areas" since these areas have higher traffic counts, public bus service and significantly more usage by pedestrians.

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Core maintenance services include the following:

- * Daily street, sidewalk and gutter sweeping
- * Sidewalk pressure washing, Bus shelter pressure washing
- * Trash removal once a day from approximately 60 receptacles in the BID
- * Graffiti removal within 24 hours from report or sooner
- * Landscape maintenance include tree wells, medians and new trees planted by the BID

In 2018, we will be looking at the Highland Median project to trim trees, upgrade irrigation to drip, and plant draught tolerant planting materials.

Security: \$623,646.56 (51.00%)

Uniformed security patrols will provide a variety of public safety services by assisting visitors and employees, support police crime prevention efforts to reduce the incidence of crime and reduce nuisance activities, and productively address the challenges associated with street populations. Deployment of safety patrols will include both bicycle and auto patrols. The proposed service frequencies for public safety deployment will be 24 hours/day - 7 days/week. Patrols will be deployed throughout the district. Deployment will include regular patrols plus redeployment as needed to respond to calls for service and trouble spots.

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The security program funds the security bike patrols as well as the security vehicle. Effective July 1, 2017 - Andrews International was awarded our security contract. The Security Committee sought competitive bids for this contract in early 2017 and Andrews International was chosen to provide services. The contract calls for the following:

*Average patrol of 400 hours per week for bike officers plus sergeants and one captain of security

*This schedule accommodates ten full time bike officers along with one part time bike officer - seven days a week.

* The deployment schedule is always subject to change at the discretion of the Security Committee

Improvements and Marketing: \$110,055.28 (9.00%)

Improvements and marketing activities will aim to improve the overall business image of the district with the goal of attracting and retaining businesses, jobs and investment. Initiatives must be designed to provide collective benefits to businesses and property owners. While annual work programs and budgets will be developed in collaboration with targeted stakeholders and approved by the owner's association, programs will be selected from a variety of options that may include the following:

- Parking Availability: The BID may support initiatives to better manage and increase the parking supply for area businesses.
- Street Beautification: The BID may pursue options to improve the visual appearance of the district including decorative banners, landscaping and trees, attractive directional signage and gateways.
- Marketing and Community Relations: The BID may carry out initiatives that strengthen the Hollywood Media District image. Examples include the district website targeting the informational needs of HMD BID property owners and business tenants and publication of the district newsletter for HMD BID property and business owners.

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This budget category allows for the funding of general consulting, marketing, communications and special projects to promote the image and improvements with the Media District.

Professional consulting - they are as follows:

* Website & Social Media with Counterintunity - providing website development as well as social media campaign

*CIMS - a company which provides and maintains the StackFM Mapping Software used to manage the parcel database and track assets (street furniture, decorative lights, bus shelters, etc...)

Other marketing activities and projects are as follows:

* Production and distribution of a newsletter, four times a year, intended primarily for District assessment paying stakeholders and interested community members;

* Hosting, maintenance and enhancement of the new Hollywood Media District's website, www.mediadistrict.org, currently under development - scheduled launch 1st quarter 2018

* Development of collateral material to describe the accomplishments of the BID over the past several years in preparation for early renewal.

* Community Grants - event sponsorships (as partner), social networking initiatives or District promotion at the discretion of the Board of Directors

BID Management & Administration: \$195,653.42 (16.00%)

A non-profit corporation, with an elected Board of Directors shall be responsible for the District's program oversight and authorization for disbursement of funds. Support staff such as a manager, bookkeeper and others will be employed and/or contracted with to provide necessary services in program implementation and oversight and regular contact with the Board of Directors. This program element also includes City/County collection fees, assessment delinquencies and other variable expenses related to each program element.

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This category funds the administrative office for the Hollywood Media District including human resource costs (payroll, payroll taxes, and health insurance); telephone, offices supplies, insurance, business meals and meeting expenses, travel and parking, etc.

A monthly legal retainer is budgeted fro the Association's counsel, Jeffrey Briggs Esq., and ancillary legal expenses. This line item also includes legal fees to cover on-going defense costs associated with pending litigation.

An annual financial review and tax preparation will be prepared by GTL, LLC (Fabio Vasco, CPA) - this cost was slightly increased from the previous tax year.

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 assessment rates are based on the anticipated benefit to be derived by each individual parcel within the boundary of the District. The rates are as follows:

Premium Area

street frontage = \$5.50 per linear ft.

land area = \$0.06715 per sq. ft.

building area = \$0.06715 per sq. ft.

Standard Area

street frontage = \$2.75 per linear ft.

land area = \$0.06715 per sq. ft.

building area = \$0.06715 per sq. ft.

(There is No CPI increase for 2018)

Surplus Revenues: \$121,000.00

2017 Rollover monies of \$50,000 for past due collection State of California and \$71,000 for Theatre Row Medallion project

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 Hollywood Media District BID- FY 2018

| | | |
|--|-----------------------|---------------|
| 2018 Assessments | \$1,101,836.00 | |
| Estimated Carryover from 2017 | \$121,000.00 | |
| Other Income | \$0.00 | |
| Total Estimated Revenues | \$1,222,836.00 | |
| 2018 Estimated Expenditures | | Pct. |
| Streetscape Services | \$293,480.74 | 24.00% |
| Security | \$623,646.56 | 51.00% |
| Improvements and Marketing | \$110,055.28 | 9.00% |
| BID Management & Administration | \$195,653.42 | 16.00% |
| Total Estimated Expenditures | \$1,222,836.00 | 100% |

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