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November 12, 2019

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

Council Districts 9, 14

REGARDING:

**THE GREATER SOUTH PARK (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 Greater South Park Business Improvement District's ("District") 2020 fiscal year (CF 12-1168). 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 Greater South Park 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 Greater South Park Business Improvement District was established on January 1, 2018 by and through the City Council's adoption of Ordinance No. 185077 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 23, 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

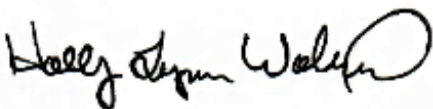
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Greater South Park 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 Greater South Park 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 South Park Business Improvement District's 2020 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott

City Clerk

Attachment:

Greater South Park Business Improvement District's 2020 Fiscal Year Annual Planning Report

November 8, 2019

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

Subject: Greater South Park 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 Greater South Park Business Improvement District has caused this Greater South Park Business Improvement District Annual Planning Report to be prepared at its meeting on October 23, 2019.

This report covers proposed activities of the Greater South Park BID from January 1, 2020 through December 31, 2020.

Sincerely,

A handwritten signature in black ink, appearing to read "Ellen Riotto", enclosed in a thin black rectangular border.

Ellen Riotto
Exec Director
South Park Stakeholders Group

Greater South Park
Business Improvement District

2020 Annual Planning Report

District Name

This report is for the Greater South Park Business Improvement District (District). The District is operated by the South Park Stakeholders Group, 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 23, 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 & Safe Programs: \$1,938,901.00 (67.75%)

The Clean and Safe Program consists of bicycle, Segway, vehicular or foot patrols, sidewalk sweeping, pressure washing, landscaping, trash removal, graffiti/poster/sticker/gum removal and other related activities for the District.

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This category includes all sidewalk and alley cleaning services, pressure washing, graffiti abatement, replacement of district trash liners, safety patrol 24 hours a day, seven days a week and administration services related to oversight of these services. These services equal \$1,938,901.00 or 67.75% of this year's budget for the district.

All services are special benefit services, over and above what the City of Los Angeles is currently providing to the individually assessed parcels. These services are implemented in all five benefit zones, at varying frequencies, and will provide a special benefit since each individually assessed parcel is receiving the services on a frequent basis between the curb and property line of that parcel. These special benefit services and their frequency are listed below.

Examples of these special benefit services and costs to the individually assessed parcels include, but are not limited to:

- Safety ambassadors patrol 24-hours a day, seven (7) days a week by bike, Segway, on foot or by vehicle, with various frequencies for Benefit Zones, based upon the needs of individually assessed parcels within that Zone;
- Safety Ambassador schedules to continually be modified to accommodate district events and surrounding venue schedules in South Park, including SPBID events, to provide a district presence
- Safety Ambassadors to continue making contact with stakeholders, including, businesses, property owners and management. The ongoing effort allows Safety Ambassadors to inform stakeholders to the services SPBID offers
- Economic development efforts, focusing on retail attraction and key infrastructure projects will continue. District quarterly retail tours will take place to promote local businesses and provide retail opportunities;
- Clean Team daily sidewalk and cleanup of debris in alleys to continue
- Removal of bulky items as necessary;
- Tree trimming, watering of the trees, and vegetation upkeep;
- Sidewalk pressure washing
- Enhanced trash emptying, provided at various frequencies for Benefit Zones, based upon the needs of individually assessed parcels within that Zone;
- Installation, stocking and upkeep of pet waste distribution stations on the frontages adjacent to the blocks with high concentrations of residential condo individually assessed parcels;
- Enhancement and beautification of sidewalks on the frontages adjacent to the blocks with high concentrations of residential individually assessed parcels
- Outreach to people experiencing homelessness and facilitated connection to programs and services;
- Graffiti removal, within 24 hours as necessary;
- Daily driving inspections of the district;
- Maintenance as needed for any District special projects (ie: Hope Street parklet, My Fig, murals and utility boxes throughout the District);
- Proportional share of the Administrative and Contingency costs to cover the oversight of

the Enhanced beautification special benefit services; and

- Vehicle maintenance and insurance; and
- Administrative services related to the execution of these services.

Administration & Management: \$520,241.39 (18.18%)

The Administration and Management budget item consists of personnel costs, city fees, formation costs, legal, accounting, insurance, office space, office supplies and equipment related to providing the District's services

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These services equal \$520,241.39 or 18.18% of this year's annual budget for the district. All services are special benefit services, over and above what the City of Los Angeles is currently providing to the individually assessed parcels.

Examples of these special benefit services and costs include, but are not limited to:

- Staff and administrative costs
 - Vendor relations
 - Operations
 - Insurance
 - Office related expenses
 - Financial reporting
 - Legal and Accounting
-
- Delinquencies- A percent of the budget is held in reserve to offset delinquent and/or slow payment from both public and private properties
 - City Fee and County fees- Assessments are budgeted to fund the expenses charged by the City of Los Angeles and County of Los Angeles for collection and distribution of District revenue
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- Reserves are budgeted for those funds that might remain from the 5% 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 designated budgetary categories

Marketing & District Identity: \$402,896.00 (14.08%)

The Marketing and District Identity program consists of the District's website, newsletter, promotional efforts and outreach programs.

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This category includes the newsletter, branding, publicity, special events, marketing and promotions, web site development and maintenance, pedestrian and vehicular way-finding systems and administrative services related to oversight of these services. These services equal \$402,896.00 or 14.08% of this year's budget for the district.

All services are special benefit services, over and above what the City of Los Angeles is currently providing to the individually assessed parcels. These special benefit services are not funded by, and do not include Benefit Zone 2, Government owned buildings or residential condo individually assessed parcels.

Examples of these special benefit services and costs include, but are not limited to:

- Special events such as the education and dialogue events, business support events, and increased community building events will continue;
- Marketing and promotions strategies such as the monthly South Park Newsletter, "South Park Stories" blog, and quarterly Neighborhood Guides will continue;
- Web site development and maintenance will continue with an enhanced social media strategy;
- Landscaping for special projects;
- Administrative services related to the execution of these services

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

Annual assessments are based upon an allocation of program costs and a calculation of assessable building square footage, lot square footage, lot frontage and residential condominium building area for five (5) benefit zones as described in the Management District Plan. The management plan allows for a maximum annual CPI increase of 5%. The Board voted for a 5% CPI increase for 2020.

2020 assessment rates:

Zone 1
Frontage 18.23259375
Lot 0.0790084575
Bldg 0.0607753125

Zone 2
Frontage 18.23259375

Zone 3
Frontage 14.586075
Lot 0.0790084575
Bldg 0.0607753125

Zone 4
Frontage 12.1550625
Lot 0.04862025
Bldg 0.0303882075

Zone 5
Frontage 11.025
Lot 0.0441
Bldg 0.0275625

Residential Condo
Bldg 0.364651875

(There is a 5.0% CPI increase for 2020)

Surplus Revenues: \$0.00

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

Anticipated Deficit Revenues

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

Contribution from Sources other than assessments: \$14,239.00

2020 General Benefit

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Greater South Park BID- FY 2020

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Total	
2020 Assessments	\$573,046.34	\$102,018.24	\$516,336.88	\$1,153,789.37	\$502,608.56	\$2,847,799.39	
Estimated Carryover from 2019	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Other Income	\$2,865.23	\$510.10	\$2,581.68	\$5,768.95	\$2,513.04	\$14,239.00	
Total Estimated Revenues	\$575,911.57	\$102,528.34	\$518,918.56	\$1,159,558.32	\$505,121.60	\$2,862,038.39	
2020 Estimated Expenditures							Pct.
Clean & Safe Programs	\$390,153.93	\$69,458.29	\$351,543.75	\$785,548.09	\$342,196.94	\$1,938,901.00	67.75%
Administration & Management	\$104,685.19	\$18,636.89	\$94,325.40	\$210,776.43	\$91,817.48	\$520,241.39	18.18%
Marketing & District Identity	\$81,072.45	\$14,433.16	\$73,049.41	\$163,233.80	\$71,107.18	\$402,896.00	14.08%
Total Estimated Expenditures	\$575,911.57	\$102,528.34	\$518,918.56	\$1,159,558.32	\$505,121.60	\$2,862,038.39	100%

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