

2015 MAY 14 AM 8:46

RECEIVED
DIVISION

Attachment 7

November 14, 2014

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

Re: Arts District Los Angeles Annual Planning Report 2015

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 Arts District Los Angeles Business Improvement District (BID) has caused this Arts District Los Angeles Business Improvement District Annual Planning Report to be prepared at its meeting on 11/14/14.

This report covers proposed activities of the Arts District Los Angeles BID from January 1, 2015 through December 31, 2015.

Sincerely,



Steve Gibson
Interim Executive Director
Arts District Los Angeles BID

**Arts District Los Angeles
Business Improvement District**

2015 Annual Planning Report

2015 Annual Planning Report

District Name: This report is for the Arts District Los Angeles Business Improvement District

Fiscal Year of Report: This report applies to the 2015 Fiscal year only.

Boundaries:

There are no changes to the District's boundaries from 2015.

Benefit Zones:

The entire District consists of one benefit zone. There are no changes to benefit zones from 2014.

Improvements, Activities and Services for the year 2015:

The following are the improvements and activities planned for the Arts District Los Angeles Business Improvement District (BID) in order by category as listed in the Management District Plan:

Clean and Safe (75%):

The cost of providing Clean and Safe services is estimated at \$965,277.

Maintenance— The maintenance supplied by Chrysalis Enterprises in 2014 will continue in 2015. There is a team 4 to 5 person team that works 7 days per week from 7 a.m. to 4 p.m. The team is outfitted in blue and black uniforms with the Arts District Los Angeles BID logo prominently displayed. They empty trash cans, pick up litter, remove graffiti, pressure wash sidewalks, and perform light landscaping in the district.

Safety Team – The security is supplied by Streetplus Company, LLC. in 2014 will continue in 2015. There is a 14 person team that works 24 hours/day, 7 days a week. The team patrols using bike, foot, segway, or vehicle. The team is outfitted in blue and black uniforms with the Arts District Los Angeles BID logo prominently displayed.

Management/Administration Office Expense (19%):

The Arts District Los Angeles BID has begun to search for a permanent Executive Director to manage the BID in 2015. In 2014, it contracted with Urban Place Consulting Group, Inc. for program set-up and district management. The Arts District Los Angeles BID will continue to lease office space in the district at 627 S. Central Ave. The cost estimated for providing administration for 2015 is estimated at \$195,544.

Contingency and City Fees (6%):

The cost for contingency and City fees in 2015 is \$72,128. City fees are \$22,128 and contingency reserved for uncollectible assessments is \$50,000 and funding to repay BID establishment loans at \$72,128.

Total Estimate of Cost for 2015:

A breakdown of the total estimated 2015 budget is attached to this report as appendix A.

Method of Levying the Assessment:

The Method and Basis for levying the 2015 assessment remains the same as listed in the Management District Plan which is a calculation of assessable footage based one zone of benefit only and an allocation of program costs as described in the Management District Plan. Two (2) property assessment variables, parcel square footage and building square footage are used in the calculation. **The Management District Plan allows for a maximum annual assessment increase of 5%. The Board voted for no increase for 2015.**

Arts District Los Angeles 2015 Assessment rates:

2015 Parcel Square Foot Assessment Rate	\$0.06644
2015 Building Square Foot Assessment Rate	\$0.08755

The District's 2015 Total Assessment is \$1,262,507.33 which includes delinquent assessments and penalties from 2014 added to the 2015 assessment per the Management District Plan.

Surplus Revenues

At the end of 2014, the District will have an estimated \$367,347 of surplus revenue that will be rolled over into 2015 budget.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2015.

Amount of contributions from other sources: \$14,400

The Arts District Los Angeles BID expects to collect \$14,400 from other sources. The BID anticipates receiving a grant from LADWP. If approved the grant will be for \$5,000. Also, the BID projects collecting \$9,400 from the City of LA for general benefit costs.

APPENDIX A-

**Arts District Los Angeles Business Improvement District
2015 Annual Report
2015 Fiscal Year Activities Budget**

Anticipated Assessment Revenue and Program Expenditures

2015 Revenue Sources	Total
2015 Assessments	\$1,262,507
2014 Carryover	\$367,347
2015 Estimated Contributions/Other Sources	\$14,144
Total Estimated Budget	\$1,643,998
Estimated Expenditures:	Total
<i>Management/Administration/Office</i>	
Management	\$120,000
Board Meetings	\$3,144
Office expenses (rent, phone, internet, utilities)	\$42,400
Accounting	\$10,000
Insurance	\$9,000
Legal & Professional	\$9,000
Newsletter	\$2,000
	\$195,544
<i>Contingency/City Fees</i>	
Contingency	\$50,000
City Fees	\$22,128
	\$72,128
<i>Clean and Safe</i>	
Clean Labor	\$270,000
Pressure Washing	\$8,160
Material & Equipment	\$17,628
Vehicle	\$30,582
Safety Labor	\$638,907
	\$965,277
Estimated Refund for non-service (1/1/14-5/31/14)	\$411,049
TOTAL ESTIMATED EXPENDITURES	\$1,643,998

Appendix A (simplified)

Arts District Los Angeles Business Improvement District
2015 Annual Report
2015 Fiscal Year Activities Budget

Anticipated Assessment Revenue and Program Expenditures

2015 Revenue Sources

2015 Special Assessment	\$1,262,507.00	
2014 Carryover	\$367,347.00	
2015 Estimated Contributions/Other Sources	\$14,144.00	
2015 Total Estimated Revenue		\$1,643,998.00

2015 Budget Expenditures

Clean & Safe	\$965,277.00	58.72%
Management/Administration	\$195,544.00	11.89%
Contingency/City Fee	\$72,128.00	4.39%
Refund for 2014 non-service (1/1/14 - 5/31/14)	411,049.00	25.00%
2015 Total Estimated Budget		75.00%
