

Los Angeles Tourism Marketing District

MANAGEMENT DISTRICT PLAN

3/12/2015

by Civitas Advisors



*Renewed pursuant to the Property and Business Improvement District Act of 1994
(Street and Highways Code § 36600 et seq.)*

2016 - 2025

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I. OVERVIEW

Developed by the Los Angeles Tourism Marketing District Corporation (the Corporation), the Los Angeles Tourism Marketing District (LATMD) is an assessment district that shall provide specific benefits to payors by funding marketing and sales promotion efforts for assessed businesses. The LATMD was formed by the City of Los Angeles (City) in 2011, pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code sections 36600 *et seq.* The LATMD is now approaching the end of its original five-year term and the member businesses wish to renew the LATMD for an additional 9 years and 9 months.

Location: The LATMD includes all lodging businesses with fifty (50) rooms or more located within the boundaries of the City of Los Angeles.

Services: The LATMD is designed to provide specific benefits directly to payors by increasing room night sales. The LATMD will provide marketing and sales promotions to increase tourism and increase awareness of the assessed businesses as destinations for tourists, meetings and events, and to increase gross room rental revenue for the specific benefit of assessed lodging businesses with 50 or more rooms. These services are supplemental to those provided by the City of Los Angeles pursuant to existing contracts with non-profit corporations.

Budget: The total LATMD annual budget for each full year of operation is anticipated to be approximately \$20,000,000. The initial “year” of operation will be a partial year consisting of nine months, for which the anticipated budget is \$15,000,000. This budget is expected to fluctuate as room sales and the assessment rate do, as detailed in Section VI.

Cost: The initial annual assessment rate is one and one half percent (1.5%) of gross short-term (stays less than 31 days) room rental revenue on lodging businesses with 50 or more rooms. The assessment rate may increase to a maximum of three percent (3%) of gross room rental revenue within the 9 year and 9 month term; the increase in any year shall not exceed one-half of one percent (0.5%) of gross room rental revenue as detailed in Section VI(C). The assessment rate may also be decreased, but shall not drop below one and one half percent (1.5%) of gross room rental revenue. Based on the benefit received, assessments will not be collected on certain stays as described in Section VI part C.

Duration: The renewed LATMD will have a nine year nine month life, beginning April 1, 2016 through December 31, 2025. Once per year beginning on the anniversary of the renewal of the district there is a 30-day period in which owners paying more than fifty percent (50%) of the assessment may protest and initiate a City Council hearing on district termination.

Management: A nonprofit corporation will serve as the LATMD’s Owners’ Association, under contract with the City. The Owners’ Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the City Council.

II. ACCOMPLISHMENTS

Prior to the formation of the LATMD, Los Angeles lacked the resources to effectively market and promote the destination to overnight visitors. The Los Angeles Tourism and Convention Board worked to increase hotel sales and awareness of the destination, but was far out-paced by its peers and competitors. In fact, Los Angeles could not begin to compete against other destinations like Las Vegas and New York, who were spending upward of \$100 million annually in marketing to domestic and international visitors.

Since the hotel community supported the creation of the LATMD to implement marketing and sales plans, Los Angeles has exceeded its original goals and is becoming a leader in destination marketing.

The LATMD was originally projected to provide approximately \$11.5 million per year of new marketing funds. Over time, that amount has increased by 175% - without an increase in the assessment rate. The LATMD now provides approximately \$20 million per year in funds dedicated to increasing room night sales for the benefit of the assessed lodging businesses.

For the first time, the LATMD was able to launch a full-scale integrated advertising and marketing campaign in TV, outdoor, digital and print to put Los Angeles hotels in the mind of travelers across L.A.'s top domestic feeder markets. In 2014, Los Angeles Tourism was able to roll out a digital campaign in key international markets, Australia, United Kingdom, Canada, and L.A. Tourism's first ever China advertising initiative.

By all measurements, from marketing metrics to lodging performance data, the LATMD funded marketing and sales program has proven very effective.

The LATMD has also redesigned and rebuilt its website to include a booking engine and enhanced listings that help drive room night demand and bookings to assessed hotels. Website visitation is an important metric in measuring marketing campaign results, and visitation to DiscoverLosAngeles.com is growing like never before. Between July 2013 and July 2014, traffic to DiscoverLosAngeles.com surged past the FY14 goal of 6.5 million visits to nearly 8 million visits.

Additionally, direct communication with the consumer and trade travel media also resulted in metrics that exceeded the projected goal of \$36 million by reaching nearly \$46 million of earned media that drives visitation to the benefit of LATMD hotels. Marketing partnerships to promote seasonal attractions or major events were also created to drive hotels visits and increase length of stay and room night volume.

LATMD funds have also been used to implement a new and robust sales team and integrated sales program designed to drive overnight group business to increase room night sales from corporate and association meetings, as well as incentive groups from domestic and international markets.

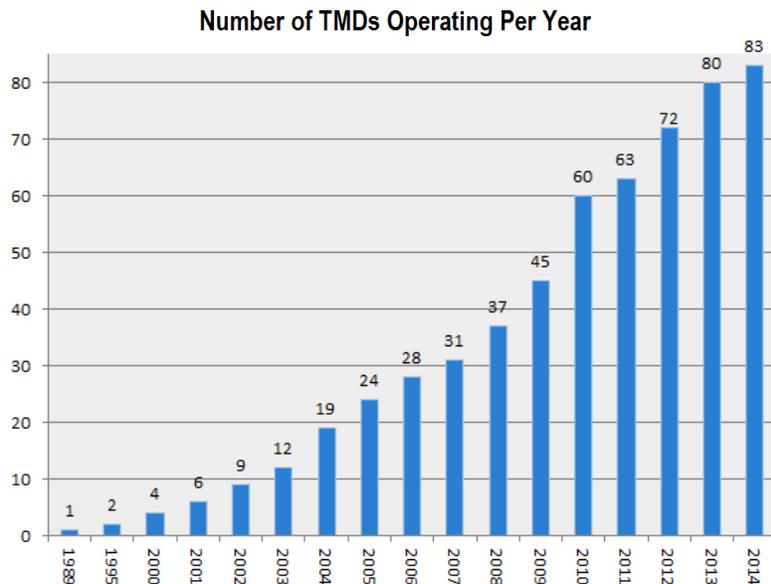
Since the LATMD funded program began in 2011, hotel production numbers have increased significantly.

Since the activation of the LATMD, occupancy rates at L.A. hotels have been breaking record after record, and LATMD hotels have seen hotel room nights sold increase by tens of thousands of room nights. Since 2011, LATMD hotels have gained increases in occupancy rates, average daily room rates (ADR), and RevPar (Revenue per Available Room). Most notably, LATMD hotels outperformed Los Angeles County hotels and hotels within the top 25 U.S markets in 2013, a trend that continued through the first half of 2014.

III. BACKGROUND

TMDs are an evolution of the traditional Business Improvement District. The first TMD was formed in West Hollywood, California in 1989. Since then, over eighty California destinations have followed suit. In recent years, other states have begun adopting the California model – Washington, Montana, and Texas have adopted TMD laws. Several other states are in the process of adopting their own legislation. And, some cities, like Portland, Oregon, have utilized their charter powers to

create TMDs without a state law.



California’s TMDs collectively raise over \$150 million for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that the Los Angeles lodging businesses invest in stable, lodging-specific marketing programs.

TMDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TMDs allow lodging business owners to organize their efforts to increase room night sales. Lodging business owners within the TMD pay an assessment and those funds are used to provide services that increase room night sales.

TMDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TMDs allow

In California, TMDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between business improvement districts like TMDs and other types of benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TMDs:

- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are **designed, created and governed by those who will pay** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

IV. DEFINITIONS

As used herein the following terms shall be defined as follows:

Baseline Level of Services: The “baseline level of services” is those tourism marketing services funded by the City of Los Angeles at a rate of one percent (1%) of the gross room rental revenue in the City of Los Angeles. The services provided pursuant to the City’s existing contract for marketing services are considered the baseline level of services. The LATMD funded services will supplement, not supplant, the City’s pre-existing marketing programs. In the event the City of Los Angeles reduces tourism marketing funding to a level below the baseline subsequent to the renewal of the LATMD, it is the intent of the lodging businesses with fifty (50) or more rooms to gather petitions to disestablish the LATMD pursuant to Streets and Highways Code §36670(a)(2).

Gross Room Rental Revenue: The term “gross room rental revenue” as used herein includes the following: the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross revenue shall not include any federal, state or local taxes collected.

Lodging Business: “Lodging Business” means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio, hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, or other similar structure or portion thereof, with fifty (50) or more rooms.

Lodging Business Owner: “Lodging Business Owner” means the person or organization shown as the owner of the business on the City of Los Angeles’ records.

Owners’ Association: “Owners’ Association” means a private nonprofit entity that is under contract with the City of Los Angeles to administer or implement activities and improvements specified in this Management District Plan. An Owners’ Association may be an existing nonprofit entity or a newly formed nonprofit entity. An Owners’ Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an Owners’ Association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of Division 7 of Title 1 of the Government Code), for all documents relating to activities of the district.

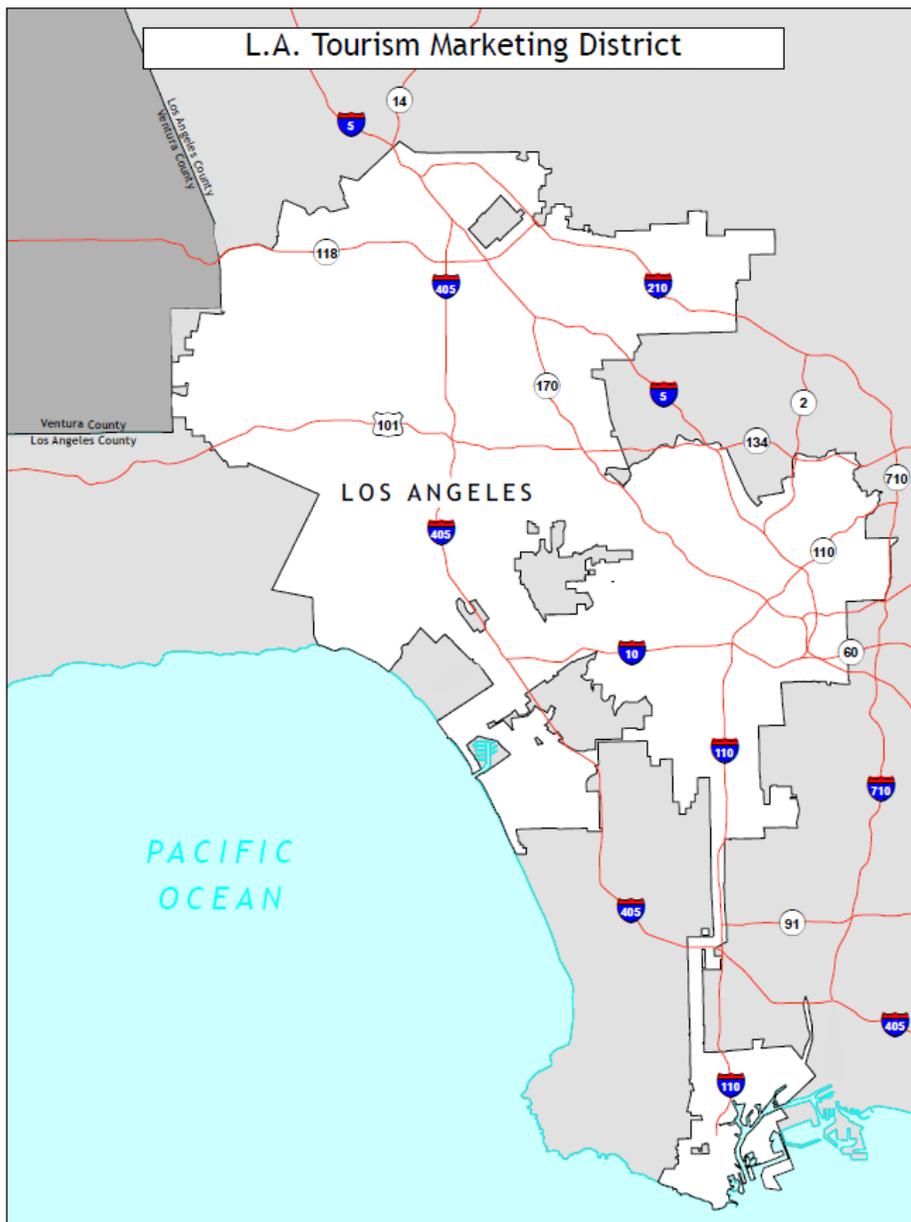
Transient: 1. Any person, other than an individual, who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for any period of time, or

2. Any individual who personally exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such individual so occupying space in a lodging business shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy.

V. BOUNDARY

The LATMD will include all lodging businesses with fifty (50) rooms or more, existing and in the future, available for public occupancy within the boundaries of the City of Los Angeles. New lodging businesses with fifty (50) or more rooms opening during the term of the district, and lodging business expanding to fifty (50) or more rooms during the term of the district, will be assessed in the LATMD upon their expansion or opening. Lodging businesses with fifty (50) or more rooms which reduce the number of rooms to less than fifty (50) during the term of the district will cease to be assessed upon reduction of rooms to less than fifty (50).

The boundary is estimated to include approximately one hundred and eighty-two (182) lodging businesses, with fifty (50) or more rooms. A complete listing of lodging businesses within the proposed LATMD, as of August 2014, can be found in Appendix 2.



VI. BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits or granting the privileges. The privileges provided with the LATMD funds are sales and marketing programs available only to assessed businesses.

A service plan budget has been developed to deliver services that benefit assessed lodging businesses. A detailed annual budget will be developed and approved by the Owners' Association. In the event of a legal challenge against the LATMD, any and all assessment funds may be used for the costs of defending the LATMD. The table below illustrates the initial annual budget allocations for the first partial fiscal year.

FY 2016 Budget (April – December)

Category	%	\$
Marketing	71%	\$10,650,000
Sales	20%	\$3,000,000
Administration	8%	\$1,200,000
City Collection Costs	1%	\$150,000
Total Annual Budget	100%	\$15,000,000

Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. However, the Owners' Association's board, subject to approval by the Los Angeles City Clerk, shall have the authority to adjust budget allocations between the categories by no more than ten percent (10%) per line item per year. At its discretion the Board may establish a reserve fund within the contingency/reserve/renewal budget line item, subject to such limitations as the Board deems fit. Any adjustments in excess of ten percent (10%) of the annual budget must be approved by the Los Angeles City Council. Any significant changes to program activities must also be approved by the Los Angeles City Council and may require modification of this Management District Plan.

The initial annual assessment rate is one and one-half percent (1.5%) of gross short-term room rental revenue on lodging businesses with 50 or more rooms. Fiscal year 2016 covers the nine month period from April to December 2016, resulting in a lower budget for the first 9 months of district operation. The table below portrays the potential maximum annual assessment rate increases of one-half percent (0.50%) per year in years 2017-2019. The assessment rate might not increase starting in 2017, the increases may be implemented in later years at the discretion of the Owners' Association. The table below demonstrates the maximum with the assumption that the rates will be increased starting in 2017 as it is a required disclosure, it is not the anticipated course of action. Additionally, a three percent (3%) annual increase in the total budget is shown, to account for estimated increased room night sales as a result of LATMD efforts. The total estimated improvement and service plan budget is projected at approximately \$342,363,467.57 through 2025.

**Estimated Annual Budget
2016-2025**

FY	Marketing	Sales	Administration	City Fee	Total
	71%	20%	8%	1%	100%
2016	\$10,650,000.00	\$3,000,000.00	\$1,200,000.00	\$150,000.00	*\$15,000,000.00
2017	\$19,500,845.80	\$5,493,196.00	\$2,197,278.40	\$274,659.80	\$27,465,980.00
2018	\$20,588,017.95	\$5,799,441.68	\$2,319,776.67	\$289,972.08	\$28,997,208.39
2019	\$21,629,771.66	\$6,092,893.43	\$2,437,157.37	\$304,644.67	\$30,464,467.13
2020	\$22,278,664.81	\$6,275,680.23	\$2,510,272.09	\$313,784.01	\$31,378,401.14
2021	\$22,947,024.76	\$6,463,950.64	\$2,585,580.26	\$323,197.53	\$32,319,753.18
2022	\$23,635,435.50	\$6,657,869.15	\$2,663,147.66	\$332,893.46	\$33,289,345.77
2023	\$24,344,498.56	\$6,857,605.23	\$2,743,042.09	\$342,880.26	\$34,288,026.15
2024	\$25,074,833.52	\$7,063,333.39	\$2,825,333.36	\$353,166.67	\$35,316,666.93
2025	\$25,827,078.53	\$7,275,233.39	\$2,910,093.36	\$363,761.67	\$36,376,166.94
2026	\$26,601,890.88	\$7,493,490.39	\$2,997,396.16	\$374,674.52	\$37,467,451.95

**Fiscal year 2016 only covers a 9 month period. The estimate for the first year of operation of the district is \$20,000,000 which translates to approximately \$1,666,666.66 per month. The subsequent years in the above table use the \$20,000,000 figure as a base number for all calculations.*

Marketing

Marketing and promotions for the benefit of each assessed lodging businesses with fifty (50) or more rooms. Marketing and promotions programs will be designed to provide the specific benefit of increased room night sales for each assessed lodging business with fifty (50) or more rooms. Marketing and promotions programs funded by the LATMD will not be provided to lodging businesses which are not assessed by the LATMD. Marketing and promotions programs will include but are not limited to:

- Advertising assessed lodging businesses with fifty (50) or more rooms directed to consumers and the meetings trade;
- Development, marketing and maintenance of a website featuring assessed lodging businesses with fifty (50) or more rooms. LATMD funds will not be used to promote any lodging businesses not paying the LATMD assessment on any such website;
- Marketing and promotions programs designed to increase room night sales at lodging businesses with fifty (50) or more rooms by driving traffic to the specific website promoting lodging businesses with fifty (50) or more rooms;
- Regional marketing programs designed to drive traffic to the website and staff which promote room night sales at assessed lodging businesses with fifty (50) or more rooms, as well as driving traffic to those lodging businesses with fifty (50) or more rooms paying the LATMD assessment;
- A national branding campaign including print, radio, web, social media and television ads which are designed to drive traffic to the website and staff which promote room night sales at assessed businesses with fifty (50) or more rooms; and
- Increased media reach and exposure for the website and staff which promote room night sales for only those lodging businesses with fifty (50) or more rooms.

Sales

Sales and Client Service Activities to increase room night sales for the specific benefit of each assessed lodging businesses with 50 or more rooms, including but not limited to:

- Sales and services staff deployed to sell Los Angeles with emphasis on its regions and the assessed lodging businesses within each region. Lodging businesses with less than fifty (50) rooms that do not pay the LATMD assessment will not be served by sales and services staff paid for the by LATMD;
- Development of new business for both self-contained individual hotel meetings and city-wide conventions which will generate an increase in room night sales at assessed lodging businesses with fifty (50) or more rooms. Lodging businesses with less than fifty (50) rooms that do not pay the LATMD assessment will not receive any leads generated by LATMD-funded new business development, nor will LATMD funds be used to promote any lodging business not paying the assessment in connection with any convention that results from new business development efforts;
- Pre and post meeting support to self-contained groups which work to generate room night sales at assessed lodging businesses with fifty (50) or more rooms. LATMD staff will work with meeting planners to match their specific lodging needs with an LATMD lodging business(es) that meets their criteria; and
- Provide staffing, including sales directors and managers for group meetings and conventions which will generate room night sales for assessed lodging businesses with fifty (50) or more rooms. The staffing funded by the LATMD assessment will generate room night sales for only assessed lodging businesses with fifty (50) or more rooms. Lodging businesses that are not assessed by the LATMD will not receive services from the additional staff provided with LATMD funds.

Administration and Operations

The administrative and operations portion of the budget shall be utilized for administrative staffing costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees. The administration and operations budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for marketing and sales program costs at the discretion of the Owners' Association. The reserve fund may be used for the costs of renewing the District.

City Administration Fee

The City of Los Angeles shall be paid a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

B. California Constitutional Compliance

The LATMD assessment is not a property-based assessment subject to the requirements of Proposition 218. The Court has found, "Proposition 218 limited the term 'assessments' to levies on real property."¹ Rather, the LATMD is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. One of these exceptions applies to the LATMD, a "specific benefit." This requires that the costs of benefits do not exceed the reasonable costs to the City of conferring the benefits.

¹ *Jarvis v. the City of San Diego* 72 Cal App. 4th 230

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.”² The services in this Management District Plan are designed to provide targeted benefits directly to assessed lodging businesses, and are intended only to provide benefits directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific lodging businesses within the District. The activities described in this Plan are specifically targeted to increase room night sales for assessed lodging businesses within the boundaries of the District, and are narrowly tailored. LATMD funds will be used exclusively to provide the specific benefit of increased room night sales directly to the assessees. For example, assessment funds shall not be used to feature non-assessed lodging businesses in LATMD programs. Further assessment funds, shall not be used to generate sales leads for non-assessed businesses. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses.

The assessment imposed by this district is for a specific benefit conferred directly to the payors, lodging businesses with fifty (50) or more rooms, that is not provided to those not charged. The specific benefit conferred directly to the payors, lodging businesses with fifty (50) or more rooms, is an increase in room night sales. The specific benefit of an increase in room night sales for assessed lodging businesses will be provided only to those lodging businesses with fifty (50) or more rooms paying the district assessment, with marketing and sales programs promoting only those lodging businesses with fifty (50) or more rooms paying the district assessment. The marketing and sales programs will be designed to increase room night sales at each assessed lodging businesses with fifty (50) or more rooms. Because they are necessary to provide the marketing and sales programs that specifically benefit the assessed lodging businesses with fifty (50) or more rooms, the administration, collection and contingency services also provide the specific benefit of increased room night sales to the assessed lodging businesses.

Although the District, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”³

2. Reasonable Cost

The Constitution provides that the assessment is used for “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.”⁴ In order to sure that the assessment does not exceed a reasonable cost to the City of conferring the benefit or granting the privilege, the full amount assessed will be used to provide the services described herein. Funds will be managed by the Owners’ Association, and reports submitted on an annual basis to the City. Only assessed lodging businesses will be featured in marketing materials, receive sales leads generated from district-funded activities, be featured in advertising campaigns,

² Cal. Const. art XIII C § 1(e)(1)

³ Government Code section 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(1)

and benefit from other district-funded services. Non-assessed lodging businesses will not receive these, nor any other, district-funded services and benefits.

The District-funded programs are all targeted directly at and feature only assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-District funds. LATMD funds shall only be spent to benefit the assessed businesses, and shall not be spent on that portion of any program which generates incidental room nights for non-assessed businesses.

3. Benefit to NonPayors

The specific benefits provided by the LATMD will only be directly provided to the assessed businesses; they will not be directly provided to non-assessed businesses. Possible indirect benefit does not preclude the LATMD services from being considered a specific benefit. The legislature has directly indicated, in the context of tourism marketing districts, that services are not precluded from classification as a specific benefit merely because an indirect benefit to a nonpayor occurs as a consequence of providing the service and without cost to the payor.⁵

Although the legislature does not require the cost of any incidental benefit to non-payors be separated from the assessment, out of an abundance of caution a study was conducted on benefit generated by the LATMD programs. The study is attached as Appendix 3. The study found that twenty-two percent of marketing programs generate incidental room night sales at non-assessed lodging businesses. Although it is not required, the portion of programs that generate this benefit will be paid for with non-assessment funds. Assessment funds will only fund that portion of the programs (seventy-eight percent) which represents a specific benefit to the assessed businesses. For example, if a program costs \$100,000 total, the LATMD will fund \$78,000 and the remaining \$22,000 will be sourced from non-assessment funds.

The amount of the assessment is no more than necessary to cover the reasonable costs of the proposed activities, and the manner in which the costs are allocated to a business owner bear a fair share or reasonable relationship to the businesses' benefits received from the proposed activities. The benefit study in Appendix 3 found that the benefits provided by the LATMD do not exceed the reasonable cost.

The programs provided with District funding receive additional non-assessment funding in the form of grants, corporate sponsorships, event income, transient occupancy tax, and other funds. These funding sources shall be equal to or exceed the amount of benefit conferred to non-payors annually by the District's services. These non-assessment funds will be used to pay for the benefit to non-payors provided by the proposed services, ensuring that assessments will only be used to provide benefits to assessed businesses.

C. Assessment

The annual assessment rate is one and one half percent (1.5%) of gross short term (stays less than 31 days) room rental revenue on lodging businesses with 50 or more rooms. The assessment rate may increase to a maximum of three percent (3%) of gross room rental revenue within the 9 year 9 month term; the increase in any year shall not exceed one-half of one percent (0.5%) of gross room rental revenue. The assessment rate may also be decreased, but shall not drop below one and one half percent (1.5%) of gross room rental revenue. The Corporation Board of Directors will annually

⁵ AB 483 Ting (2014)

determine whether the assessment rate should be increased or decreased. Its determination will be included in the annual report for City Council approval.

Based on the benefit received, the following stays shall not be subject to assessment:

- (1) A stay for which it is beyond the power of the City to impose the assessment herein provided;
- (2) A stay by any Federal or State of California officer or employee, including employees of federal credit unions, who provides proof that he or she is on Federal or State business;
- (3) A stay by any officer or employee of a foreign government who is exempt from Transient Occupancy Taxes by express provision of federal law or international treaty;
- (4) A stay by any person to whom rent is charged at the rate of \$2.00 per day or less;
- (5) A stay for which rent is paid from a fund administered by the Emergency Food and Shelter National Board Program;
- (6) Stays by airline crews;
- (7) Stays of more than thirty (30) consecutive days; and
- (8) Stays pursuant to contracts executed prior to April 1, 2011.

The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. The assessment shall be disclosed as the "LATMD Assessment." The assessment shall not be considered revenue for any purposes, including calculation of transient occupancy taxes.

Bonds shall not be issued.

D. Penalties and Interest

1. Any business which fails to remit any assessment imposed within the time required shall pay a penalty of five percent (5%) of the amount of the unpaid assessment in addition to the amount of assessment.
2. Any business which fails to remit any delinquent assessment on or before the last day of:
 - (i) The first month in which the assessment first became delinquent, shall pay a second penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment and the five percent (5%) penalty first imposed;
 - (ii) The second month in which the assessment first became delinquent, shall pay a third penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) in accumulated penalties previously imposed;
 - (iii) The third month in which the assessment first became delinquent, shall pay a fourth penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment and the fifteen percent (15%) in accumulated penalties previously imposed; and
 - (iv) The fourth month in which the assessment first became delinquent, shall pay a fifth penalty of twenty percent (20%) of the amount of the assessment in addition to the amount of the assessment and the twenty percent (20%) in accumulated penalties previously imposed.
3. If the City determines that the nonpayment of any assessment due is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added, in addition to the penalties stated in sections 1 and 2 of this section.

4. In addition to the penalties imposed, any business which fails to pay any assessment required to be paid shall pay interest on the amount of the assessment, exclusive of any penalty, from the date on which the assessment first became delinquent until the date it is paid, during each calendar year at the rate per month, or fraction of the month, determined by dividing by 12 the sum of the average Federal short-term rate during the months of July, August and September of the previous calendar year plus three percentage points. Unless the monthly rate is evenly divisible by one-tenth of a percentage point, it shall be rounded up to the next highest one-tenth of a percentage point.
5. For collection purposes only, every penalty imposed and the interest that is accrued under the provisions of this section shall become a part of the assessment required to be paid.

E. Time and Manner for Collecting Assessments

The LATMD assessment will be implemented beginning April 1, 2016 and will continue for 9 years 9 months through December 31, 2025. The Los Angeles City Clerk or its designee will oversee collection of the assessment on a monthly basis (including any delinquencies, penalties and interest) from each assessed lodging business located in the boundaries of the LATMD. The assessment shall be collected using a return form developed and provided to the assessed business by the City. The City shall take all reasonable efforts to collect the assessments from each lodging business. The City Clerk or its designee may audit the hotels. The City shall forward the assessments collected, including any delinquencies, penalties and interest, to the Owners' Association.

VII. GOVERNANCE

A. Owners' Association

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the LATMD as defined in Streets and Highways Code §36614.5.

1. A non-profit corporation will serve as the Owners' Association for the LATMD.
2. The LATMD shall be managed by the non-profit corporation referenced above. There shall be a minimum of eleven members on the initial Board of Directors of the corporation.
3. A minimum of one Board Member will be from a mid-size lodging business with 50-75 rooms.
4. A minimum of three members of the Board of Directors shall be representatives of non-lodging businesses.
5. The majority of the Board of Directors will be representatives of assessed lodging businesses with fifty (50) or more rooms.
6. Among the members of the LATMD Board of Directors, there shall be at least one, and no more than two representatives of an assessed lodging business with fifty (50) or more rooms from each of the areas listed below. Each member of the Board may only represent one area. The boundaries of each area include those communities listed on Appendix 4.
 - a. Downtown/Mid-City
 - b. LAX
 - c. Hollywood
 - d. San Fernando Valley
 - e. Westside
 - f. Coastal

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association is considered a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Corporation board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

C. Report by Owners' Association—Annual Planning Report

The LATMD shall present an annual planning report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1).

The annual report will include:

- Any proposed changes in the boundaries of the tourism improvement district or in any benefit zones or classification of businesses 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 business owner, to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The amount of any contributions to be made from sources other than assessments levied pursuant to this part.

The initial annual report will be due in November 2016 and cover the period from January – December 2017. Thereafter reports will be due each November for the proceeding calendar year.

D. Auditing

The City of Los Angeles shall be allowed to review the financial records of the Owners' Association. A contract shall be entered into between the City and the Owners' Association. The contract will document the accounting processes including collections, allocations, and reporting required to be submitted to the City of Los Angeles. The LATMD will be responsible for any costs associated with audits.

The Owners' Association shall engage an independent certified public accountant to review financial statements to be submitted to the City Clerk.

APPENDIX 1 – LAW

STREETS AND HIGHWAYS CODE
Division 18. Parking
Part 7. Property and Business Improvement District Law of 1994

Cal Sts & Hy Code Div. 18, Pt. 7 Note (2015)

*** This document is current through the 2015 Supplement ***
(All 2014 legislation)

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations

The Legislature finds and declares all of the following:

(a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.

(d) Assessments levied for the purpose of conferring special benefit upon the real property or businesses in a business district are not taxes for the general benefit of a city, even if property or persons not assessed receive incidental or collateral effects that benefit them.

(e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:

(1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.

(2) Job creation.

(3) Business attraction.

(4) Business retention.

(5) Economic growth.

(6) New investments.

(f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.

(g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.

(h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.

(1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.

(2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed businesses and real property located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ Association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be

public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all records relating to activities of the district.

36614. "Property"

"Property" means real property situated within a district.

36614.5. "Property and business improvement district"; "District"

"Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

36614.6. "Property-based assessment"

"Property-based assessment" means any assessment made pursuant to this part upon real property.

36614.7. "Property-based district"

"Property-based district" means any district in which a city levies a property-based assessment.

36615. "Property owner"; "Business owner"; "Owner"

"Property owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. "Business owner" means any person recognized by the city as the owner of the business. "Owner" means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. "Special benefit"

"Special benefit" means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

36616. "Tenant"

"Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

36617. Alternative method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

(a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the

same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) (1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.

(m) In a property-based district, the total amount of general benefits, if any.

(n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and

protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes

that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in Section 36625.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

36631. Time and manner of collection of assessment; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

- (a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.
- (b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for

purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention; Modification of improvements and activities by adoption of resolution after public hearing

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement 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 information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements, maintenance, and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

Region Key: SF - San Fernando Valley Region | D - Downtown/LA Metro Region | H - Hollywood Region

C - Coastal Region | L - LAX Region | W - Westside Region

KEY	Name	Address	City	State	ZIP	Zone
1	Sheraton Universal	333 Universal Hollywood Dr	Universal City	CA	91608	SF
2	Hilton Los Angeles/Universal City	555 Universal Hollywood Dr	Universal City	CA	91608	SF
3	Best Western Mikado	12600 Riverside Dr	North Hollywood	CA	91607	SF
4	Studio Lodge	11254 Vanowen St	North Hollywood	CA	91605	SF
5	Studio City Courtyard Hotel	12933 Ventura Blvd	Studio City	CA	91604	SF
6	Sportsmen's Lodge Hotel	12825 Ventura Blvd	Studio City	CA	91604	SF
7	The Beverly Garland	4222 Vineland Ave	North Hollywood	CA	91602	SF
8	Voyager Motor Inn	6500 Sepulveda Blvd	Van Nuys	CA	91411	SF
9	Best Western Carriage Inn	5525 Sepulveda Blvd	Van Nuys	CA	91411	SF
10	Airtel Plaza Hotel & Conference Center	7277 Valjean Ave	Van Nuys	CA	91406	SF
11	Holiday Inn Express Van Nuys	8244 Orion Ave	Van Nuys	CA	91406	SF
12	Studio 6 Van Nuys	13561 Sherman Way	Van Nuys	CA	91405	SF
13	Motel 6 Van Nuys	6909 Sepulveda Blvd	Van Nuys	CA	91405	SF
14	Courtyard Los Angeles Sherman Oaks	15433 Ventura Blvd	Sherman Oaks	CA	91403	SF
15	Star Inn Hotel & Suites	15485 Ventura Blvd	Sherman Oaks	CA	91403	SF
16	Hilton Woodland Hills	6360 Canoga Ave	Woodland Hills	CA	91367	SF
17	Warner Center Marriott Hotel	21850 Oxnard St	Woodland Hills	CA	91367	SF
18	Best Western Woodland Hills	21830 Ventura Blvd	Woodland Hills	CA	91364	SF
19	Courtyard by Marriott Woodland Hills	21101 Ventura Blvd	Woodland Hills	CA	91364	SF
20	Comfort Inn near Warner Center	20157 Ventura Blvd	Woodland Hills	CA	91364	SF
21	Extended Stay America Los Angeles - Woodland Hills	20205 Ventura Blvd	Woodland Hills	CA	91364	SF
22	St George Motor Inn	19454 Ventura Blvd	Tarzana	CA	91356	SF
23	Valley Inn & Conference Center	10621 Sepulveda Blvd	Mission Hills	CA	91345	SF
24	Travel Inn	8525 Sepulveda Blvd	North Hills	CA	91343	SF
25	Econo Motor Inn of North Hills	8647 Sepulveda Blvd	North Hills	CA	91343	SF
26	Budget Inn	9151 Sepulveda Blvd	North Hills	CA	91343	SF
27	Motel 6 Los Angeles - Van Nuys/Sepulveda	15711 Roscoe Blvd	North Hills	CA	91343	SF
28	Palm Tree Inn	8424 Sepulveda Blvd	North Hills	CA	91343	SF
29	Travelodge Sylmar	14955 Roxford St	Sylmar	CA	91342	SF
30	Motel 6 Los Angeles - Sylmar	12775 Encinitas Ave	Sylmar	CA	91342	SF
31	Good-Nite Inn	12835 Encinitas Ave	Sylmar	CA	91342	SF
32	Howard Johnson Inn & Suites Reseda	7432 Reseda Blvd	Reseda	CA	91335	SF
33	Ramada Inn	21340 Devonshire St	Chatsworth	CA	91311	SF
34	Travelodge Chatsworth	21603 Devonshire St	Chatsworth	CA	91311	SF
35	Staybridge Suites Chatsworth	21902 Lassen St	Chatsworth	CA	91311	SF
36	Radisson Chatsworth Hotel	9777 Topanga Canyon Blvd	Chatsworth	CA	91311	SF

37	Paradise Lodge	20128 Roscoe Blvd	Winnetka	CA	91306	SF
38	Comfort Inn & Suites near Universal Studios	6147 Lankershim Blvd	North Hollywood	CA	91606	SF
39	Extended Stay America - Northridge	19325 Londelius Street	Northridge	CA	91324	SF
40	Hampton Inn & Suites Los Angeles Burbank Airport	7501 N Glenoaks Blvd	Burbank	CA	91504	SF
41	Hampton Inn & Suites Los Angeles/Sherman Oaks	5638 Sepulveda Blvd	Sherman Oaks	CA	91411	SF
42	Holiday Inn Express Hotel & Suites	22617 Ventura Blvd	Woodland Hills	CA	91364	SF
43	Holiday Inn Express North Hollywood	11350 Burbank Blvd	North Hollywood	CA	91601	SF
44	Hometown Inn	9401 Sepulveda Blvd	North Hills	CA	91343	SF
45	The BLVD Hotel & Spa	10730 Ventura Blvd	Studio City	CA	91604	SF
46	Star Light Inn	7435 Winnetka Ave	Winnetka	CA	91306	SF
47	Super 8 Canoga Park	7631 Topanga Canyon Blvd	Canoga Park	CA	91304	SF
48	Motel 6 Canoga Park	7132 De Soto Ave	Canoga Park	CA	91303	SF
49	Oakwood Apartments- Toluca Hills	3600 Barham Blvd	Los Angeles	CA	90068	SF
50	Standard, Downtown LA, The	550 S Flower St	Los Angeles	CA	90071	D
51	Ace Hotel Downtown Los Angeles	929 Broadway	Los Angeles	CA	90015	D
52	Barclay Hotel	103 W 4th Street	Los Angeles	CA	90013	D
53	Courtyard by Marriott LA Live	901 W Olympic Blvd	Los Angeles	CA	90015	D
54	Garden Suite Hotel & Resort	681 S Western Avenue	Los Angeles	CA	90015	D
55	Holiday Lodge Motel	1631 3rd Street	Los Angeles	CA	90017	D
56	Hotel Normandie LA	605 S Normandie Avenue	Los Angeles	CA	90005	D
57	Madison Hotel	423 E 7th Street	Los Angeles	CA	90014	D
58	Miyako Hotel Los Angeles	328 E First Street	Los Angeles	CA	90012	D
59	Nutel Motel	1906 W 3rd Street	Los Angeles	CA	90057	D
60	Oasis Motel	2200 W Olympic Blvd	Los Angeles	CA	90006	D
61	RAMADA Los Angeles Downtown West	1901 W Olympic Blvd	Los Angeles	CA	90006	D
62	The Jonathan Club	545 S Figueroa Street	Los Angeles	CA	90071	D
63	L.A Hotel Downtown - A Hyatt Affiliate	333 S Figueroa St	Los Angeles	CA	90071	D
64	Westin Bonaventure Hotel & Suites	404 S Figueroa St	Los Angeles	CA	90071	D
65	Hilton Checkers Hotel	535 S Grand Ave	Los Angeles	CA	90071	D
66	Millennium Biltmore Hotel	506 S Grand Ave	Los Angeles	CA	90071	D
67	Holiday Inn Express - Los Angeles Downtown West	611 S Westlake Ave	Los Angeles	CA	90057	D
68	Comfort Inn - Eaglerock	2300 Colorado Blvd	Los Angeles	CA	90041	D
69	Super 8 Motel Los Angeles/Alhambra	5350 Huntington Dr S	Los Angeles	CA	90032	D
70	Super 8 Motel- Hollywood	1536 N Western Ave	Hollywood	CA	90027	D
71	Hollywood Inn Express South	141 N Alvarado St	Los Angeles	CA	90026	D
72	Rotex Hotel	3411 W Olympic Blvd	Los Angeles	CA	90019	D
73	Hotel Solaire Los Angeles	1710 W 7th St	Los Angeles	CA	90017	D
74	This Historic Mayfair Hotel	1256 W 7th St	Los Angeles	CA	90017	D
75	America's Best Value Inn	1123 W 7th St	Los Angeles	CA	90017	D
76	Wilshire Grand Hotel	930 Wilshire Blvd	Los Angeles	CA	90017	D
77	Sheraton Los Angeles Downtown	711 S Hope St	Los Angeles	CA	90017	D

78	Ritz Milner Hotel	813 S Flower St	Los Angeles	CA	90017	D
79	O Hotel	819 S Flower St	Los Angeles	CA	90017	D
80	Stillwell Hotel	838 S Grand Ave	Los Angeles	CA	90017	D
81	Figueroa Hotel	939 S Figueroa St	Los Angeles	CA	90015	D
82	Luxe City Center Hotel	1020 S Figueroa St	Los Angeles	CA	90015	D
83	JW Marriott Los Angeles	900 West Olympic Blvd	Los Angeles	CA	90015	D
84	The Ritz Carlton	710 West Olympic Blvd	Los Angeles	CA	90015	D
85	Los Angeles Athletic Club	431 W 7th St	Los Angeles	CA	90014	D
86	Stay on Main	640 S Main St	Los Angeles	CA	90014	D
87	Metro Plaza Hotel	711 N Main St	Los Angeles	CA	90012	D
88	Best Western Dragon Gate Inn	818 N Hill St	Los Angeles	CA	90012	D
89	Omni Los Angeles Hotel	251 S Olive St	Los Angeles	CA	90012	D
90	Kawada Hotel	200 S Hill St	Los Angeles	CA	90012	D
91	DoubleTree by Hilton Los Angeles Downtown	120 S Los Angeles St	Los Angeles	CA	90012	D
92	The Line Hotel	3515 Wilshire Blvd	Los Angeles	CA	90010	D
93	Ramada Inn	3900 Wilshire Blvd	Los Angeles	CA	90010	D
94	Dunes Inn Wilshire	4300 Wilshire Blvd	Los Angeles	CA	90010	D
95	Vagabond Inn Figueroa	3101 S Figueroa St	Los Angeles	CA	90007	D
96	Radisson Hotel USC Los Angeles	3540 S Figueroa St	Los Angeles	CA	90007	D
97	Rodeway Inn LACC HOTEL	1904 W Olympic Blvd	Los Angeles	CA	90006	D
98	Howard Johnson Los Angeles	603 S New Hampshire Ave	Los Angeles	CA	90005	D
99	JJ Grand Hotel	620 S Harvard Blvd	Los Angeles	CA	90005	D
100	Oxford Palace Hotel	745 S Oxford Ave	Los Angeles	CA	90005	D
101	New Seoul Hotel	2666 W Olympic Blvd	Los Angeles	CA	90006	D
102	Best Western Hollywood Plaza Inn	2011 N Highland Ave	Hollywood	CA	90068	H
103	Hilton Garden Inn Los Angeles/Hollywood	2005 N Highland Ave	Hollywood	CA	90068	H
104	Holiday Inn Express Hotel & Suites	1921 N Highland Ave	Los Angeles	CA	90068	H
105	Chateau Marmont	8221 W Sunset Blvd	Los Angeles	CA	90046	H
106	Saharan Motor Hotel	7212 W Sunset Blvd	Los Angeles	CA	90046	H
107	Vine Inn & Suites Hollywood	1133 Vine St	Los Angeles	CA	90038	H
108	Hollywood Hotel	1160 N Vermont Ave	Los Angeles	CA	90029	H
109	Loews Hollywood Hotel	1755 N Highland Ave	Hollywood	CA	90028	H
110	Quality Inn Hollywood	1520 North La Brea Ave	Hollywood	CA	90028	H
111	Best Western Hollywood Hills	6141 Franklin Ave	Hollywood	CA	90028	H
112	Roosevelt Hotel- Hollywood	7000 Hollywood Blvd	Hollywood	CA	90028	H
113	Comfort Inn near Universal Studios Hollywood	321 N Vermont Avenue	Los Angeles	CA	90004	H
114	Hollywood Historic Hotel	5162 Melrose Avenue	Los Angeles	CA	90038	H
115	Las Palmas Hotel	1738 N Las Palmas Ave	Los Angeles	CA	90028	H
116	The BLVD Hotel & Suites	2010 N Highland Avenue	Los Angeles	CA	90068	H
117	The Redbury at Hollywood & Vine	1717 Vine Street	Los Angeles	CA	90028	H
118	Retan Hotel	1732 Whitley Ave	Los Angeles	CA	90028	H
119	Motel 6 Hollywood	1738 Whitley Ave	Los Angeles	CA	90028	H
120	Days Inn Hollywood	7023 W Sunset Blvd	Los Angeles	CA	90028	H
121	Dunes Sunset Motel	5625 W Sunset Blvd	Los Angeles	CA	90028	H
122	Highland Gardens Hotel	7047 Franklin Ave	Los Angeles	CA	90028	H

123	The W Hotel	6250 Hollywood Blvd	Los Angeles	CA	90028	H
124	Hollywood Travelodge	1401 N Vermont Ave	Hollywood	CA	90027	H
125	Coral Sands Hotel	1730 N Western Ave	Los Angeles	CA	90027	H
126	Dixie Hollywood Hotel	5410 Hollywood Blvd	Los Angeles	CA	90027	H
127	Quality Inn & Suites by Convention Center	250 Silver Lake Blvd	Los Angeles	CA	90004	H
128	Mark Twain Hotel	1622 Wilcox Ave	Los Angeles	CA	90028	H
129	Best Western Los Angeles Worldport	1402 Pacific Coast Hwy	Wilmington	CA	90744	C
130	Bonnie Lee Inn	543 Broad Street	Wilmington	CA	90744	C
131	Extended Stay America - Los Angeles - Torrance Harbor Gateway	19200 Harborgate Way	Torrance	CA	90501	C
132	Holiday Inn Torrance	19800 South Vermont	Torrance	CA	90502	C
133	Extended Stay America - Los Angeles South	18602 S. Vermont Avenue	Gardena	CA	90248	C
134	Best Western Plus San Pedro Hotel & Suites	111 S Gaffey St	San Pedro	CA	90731	C
135	Vagabond Inn San Pedro	215 S Gaffey St	San Pedro	CA	90731	C
136	Crowne Plaza Los Angeles Harbor Hotel	601 S Palos Verdes St	San Pedro	CA	90731	C
137	Best Western Sunrise Ports of Call Hotel	525 S Harbor Blvd	San Pedro	CA	90731	C
138	Doubletree Hotel San Pedro	2800 Via Cabrillo Marina	San Pedro	CA	90731	C
139	Inn at Marina del Rey	737 Washington Blvd	Marina Del Rey	CA	90292	C
140	Hotel MDR - A DoubleTree by Hilton Hotel	13480 Maxella Ave	Marina Del Rey	CA	90292	C
141	Jolly Roger Hotel	2904 Washington Blvd	Venice	CA	90292	C
142	Hotel Erwin	1697 Pacific Ave	Venice	CA	90291	C
143	Crowne Plaza Los Angeles Airport	5985 W Century Blvd	Los Angeles	CA	90045	L
144	Concourse Hotel of Los Angeles Airport - A Hyatt Affiliate	6225 W Century Blvd	Los Angeles	CA	90045	L
145	Courtyard By Marriott-LAX/Century Blvd.	6161 Century Blvd	Los Angeles	CA	90045	L
146	Extended Stay America - Los Angeles - LAX Airport	6531 S Sepulveda Blvd	Los Angeles	CA	90045	L
147	Custom Hotel	8601 Lincoln Blvd	Los Angeles	CA	90045	L
148	Holiday Inn Express LAX	8620 Airport Blvd	Los Angeles	CA	90045	L
149	Super 8 Los Angeles Airport	9250 Airport Blvd	Los Angeles	CA	90045	L
150	Sheraton Gateway LAX	6101 W Century Blvd	Los Angeles	CA	90045	L
151	Renaissance Los Angeles Airport Hotel	9620 Airport Blvd	Los Angeles	CA	90045	L
152	Four Points Hotel Los Angeles	9750 Airport Blvd	Los Angeles	CA	90045	L
153	Embassy Suites LAX North	9801 Airport Blvd	Los Angeles	CA	90045	L
154	Los Angeles Airport Marriott	5855 W Century Blvd	Los Angeles	CA	90045	L
155	Hilton Los Angeles Airport	5711 W Century Blvd	Los Angeles	CA	90045	L
156	Travelodge Hotel at LAX	5547 W Century Blvd	Los Angeles	CA	90045	L
157	Holiday Inn Lax	9901 S La Cienega Blvd	Los Angeles	CA	90045	L
158	La Quinta Inn and Suites at LAX	5249 W Century Blvd	Los Angeles	CA	90045	L
159	Westin Los Angeles Airport	5400 W Century Blvd	Los Angeles	CA	90045	L
160	Hotel Bel-Air	701 Stone Canyon Rd	Los Angeles	CA	90077	W
161	Hyatt Regency Century Plaza	2025 Ave of The Stars	Los Angeles	CA	90067	W

162	Intercontinental Los Angeles at Century City	2151 Ave of The Stars	Los Angeles	CA	90067	W
163	Courtyard By Marriott-Century City/Beverly Hills	10320 W Olympic Blvd	Los Angeles	CA	90064	W
164	Best Western Royal Palace	2528 S Sepulveda Blvd	Los Angeles	CA	90064	W
165	Luxe Hotel Sunset Boulevard	11461 W Sunset Blvd	Los Angeles	CA	90049	W
166	Hotel Angeleno	170 N Church Ln	Los Angeles	CA	90049	W
167	Sofitel Los Angeles/Beverly Hills	8555 Beverly Blvd	Los Angeles	CA	90048	W
168	Four Seasons LA at Beverly Hills	300 S Doheny Dr	Los Angeles	CA	90048	W
169	SLS at Beverly Hills	465 S La Cienega Blvd	Los Angeles	CA	90048	W
170	The Orlando	8384 W 3rd St	Los Angeles	CA	90048	W
171	Beverly Laurel Motor Hotel	8018 Beverly Blvd	Los Angeles	CA	90048	W
172	Farmer's Daughter Motor Hotel	115 S Fairfax Ave	Los Angeles	CA	90036	W
173	Crowne Plaza Beverly Hills	1150 S Beverly Dr	Los Angeles	CA	90035	W
174	Residence Inn by Marriott-Beverly Hills	1177 S Beverly Dr	Los Angeles	CA	90035	W
175	Holiday Inn Express West Los angeles	11250 Santa Monica Blvd	Los Angeles	CA	90025	W
176	The Azul Inn West Los Angeles	10740 Santa Monica Blvd	Los Angeles	CA	90025	W
177	The Hotel Wilshire	6317 Wilshire Blvd	Los Angeles	CA	90048	W
178	Claremont Hotel	1044 Tiverton Ave	Los Angeles	CA	90024	W
179	W Los Angeles-Westwood	930 Hilgard Ave	Los Angeles	CA	90024	W
180	Hotel Palomar Westwood	10740 Wilshire Blvd	Los Angeles	CA	90024	W
181	Beverly Hills Plaza Hotel	10300 Wilshire Blvd	Los Angeles	CA	90024	W
182	Mr C. Hotel	1224 Beverwil Dr	Los Angeles	CA	90035	W

APPENDIX 3 – BENEFIT STUDY

APPENDIX 4 – BOUNDARIES OF AREAS FOR BOARD MEMBER SELECTION

Each area includes the communities below.

**Management District Plan
March 12, 2015**

San Fernando Valley

Arleta
Canoga Park
Chatsworth
Encino
Granada Hills
Lake Balboa
Lakeview Terrace
Mission Hills
North Hills
North Hollywood
Northridge
Pacoima
Panorama City
Porter Ranch
Reseda
Shadow Hills
Sherman Oaks
Studio City
Sun Valley
Sunland
Sylmar
Tarzana
Tujunga
Valley Glen
Valley Village
Van Nuys
West Hills
Winnetka
Woodland Hills

Hollywood

Atwater Village
Griffith Park
Hollywood
Los Feliz
Silver Lake
Toluca Lake

LAX

Crenshaw
Hyde Park
Mar Vista
Palms
Sawtelle
South Los Angeles
West Adams
Westchester/LAX

Coastal

Harbor City
Harbor Gateway
Marina del Rey
Pacific Palisades
Playa Del Rey
Playa Vista
San Pedro
Terminal Island
Venice
Wilmington

Westside

Bel-Air
Beverly Crest
Brentwood
Century City
Mid-City West
West Los Angeles
Westwood

Downtown/Mid-City

Boyle Heights
Central City
Central City East
China Town
Cypress Park
Eagle Rock
Echo Park
El Sereno
Elysian Park
Glassell Park
Highland Park
Jefferson Park
Korea Town
Leimert Park
Lincoln Heights
Mid-City
Mid-Wilshire
Montecito Heights
Mount Washington
Pico-Union
Southeast Los Angeles
Watts
Wilshire Center