

CITY OF LOS ANGELES

CALIFORNIA



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CITY CLERK
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MIRANDA PASTER
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ERIC GARCETTI
MAYOR

July 17, 2014

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

Council District 1

REGARDING: THE LINCOLN HEIGHTS BUSINESS AND COMMUNITY BENEFIT DISTRICT
(PROPERTY-BASED) BUSINESS IMPROVEMENT DISTRICT'S 2014 FISCAL
YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Lincoln Heights Business and Community Benefit District's ("District") 2014 fiscal year (CF 11-1301). The Advisory Board of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with the City's Landscaping, Security, Programming and Maintenance Property Business Improvement District Ordinance [Division 6, Chapter 9, Los Angeles Administrative Code ("LSPM PBID Ordinance")], an Annual Planning Report for the District must be submitted for consideration by the City Council. The Lincoln Heights Business and Community Benefit District's Annual Planning Report for the 2014 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Lincoln Heights Business and Community Benefit District was established on July 29, 2008 by and through the City Council's adoption of Ordinance No. 180117, which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The City Council established the District pursuant to the LSPM PBID Ordinance.

ANNUAL REPORT REQUIREMENTS

The LSPM PBID Ordinance states that the Lincoln Heights Business and Community Benefit District's Advisory Board shall cause to be prepared, for City Council approval, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the improvements and activities described in the report. The report shall be filed with the City Clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and the

activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of any contributions to be made from sources other than assessments levied.

The District Board has made no changes to the boundaries or benefit zones for 2014. The District Board has made no significant changes to 2014 budget from the 2013 budget categories. The descriptions of the budget categories have not changed from the approved Management District Plan.

The attached Annual Planning Report, which was approved by the District's Board at their November 15, 2013 meeting, complies with the requirements of the LSPM PBID Ordinance and reports that programs will continue, as outlined in the Management District Plan adopted by the Lincoln Heights Business and Community Benefit District property owners. The City Council may approve the Annual Planning Report as filed by the District's Advisory Board or may modify any particulars contained in the Annual Planning Report and approve it as modified.

FISCAL IMPACT

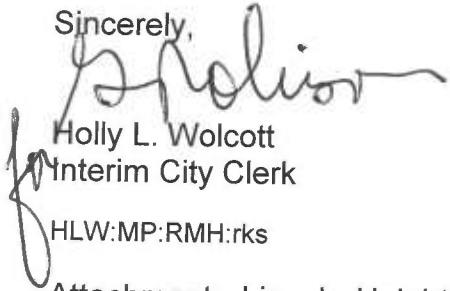
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Lincoln Heights Business and Community Benefit District's 2014 fiscal year complies with the requirements of the LSPM PBID Ordinance.
2. ADOPT the attached Annual Planning Report for the Lincoln Heights Business and Community Benefit District's 2014 fiscal year, pursuant to the LSPM PBID Ordinance.

Sincerely,



Holly L. Wolcott
Interim City Clerk

HLW:MP:RMH:rks

Attachment: Lincoln Heights Business and Community Benefit District's 2014 Fiscal Year Annual Planning Report



Lincoln Heights Benefit Association of Los Angeles

5651 Fallston St., Los Angeles, CA 90042

323-359-3944, 323-257-1036 (Fax)

Holly Wolcott, Interim City Clerk
Office of the City Clerk
200 North Spring St., Room 360
Los Angeles, Ca 90012

Attachment 

RE: 2014 Annual Planning Report for the Lincoln Heights Business and Community Benefit District (LHBCBD)

To Ms. Wolcott:

On November 15, 2013, the Lincoln Heights Benefit Assn. of Los Angeles, a California Non-Profit organization met with the Advisory Board, reviewed and approved the proposed 2014 budget and activities. Through agreement No. C-115429 with the City of Los Angeles to manage services provided to the Lincoln Heights Business and Community Benefit District.

During the meeting of November 2013, the BID management company presented the attached 2014 Annual Planning Report to our Advisory Board. The report was unanimously approved at that meeting.

On behalf of the Advisory Board, I would like to present this Advisory Board approved 2014 Annual Planning Report for the Lincoln Heights Business and Community District to the Office of the City Clerk and to the Los Angeles City Council for their review and approval.

Please ask me if you have any questions.

Sincerely,

Misty Iwatsu

Misty Iwatsu, Executive Director
Lincoln Heights Benefit Association of Los Angeles



Lincoln Heights Benefit Association of Los Angeles

5651 Fallston St., Los Angeles, CA 90042

323-359-3944, 323-257-1036 (Fax)

2014 Annual Planning Report

District Name: Lincoln Heights Business and Community Benefit District

Fiscal Year of Report: This report applies to the 2014 Fiscal year only.

Benefit Zones:

The Benefit Zones for the Lincoln Heights Business and Community Benefit District will remain the same for the 2014 fiscal year. There are no changes in the district boundaries for 2014. There are three benefit zones. There are no changes in district benefit zones for 2014.

Benefit Zone 1 in general, shall consist of all of the parcels on each side of North Broadway on the northeast side of the Interstate 5 freeway up to Lincoln Park, (excluding the Lincoln High School site). In addition, Benefit Zone 1 parcels shall include those along Daly Street from Manitou Avenue to the Five Points Intersection, inclusive of the Lincoln Heights Library, (Pasadena Avenue, Daly Street and Avenue 26).

Benefit Zone 2 shall consist of all of the parcels not included in Benefit Zones 1 and 3, including those parcels between Interstate 5 and the Los Angeles River, as well as those not fronting along North Broadway, Daly Street, or the 5 points intersection (in Benefit Zone 1).

Benefit Zone 3 shall include the parcels owned by the LAUSD (Gates Elementary and Lincoln High School). The LAUSD parcels will be assessed only along the North Broadway frontage since these parcels are fenced in, provide their own security and their own system of cleanliness provided by the LAUSD personnel. Benefit Zone 3 parcels will fund enhanced sidewalk sweeping, trash removal, graffiti removal and beautification programs only.

Improvements & Activities for 2014

Sidewalk Operations & Beautification

Maintenance: The maintenance supplied in 2013 will continue in 2014. The sidewalks will be swept and pressure washed for zones 1,2 & 3. The Lincoln Heights Benefit Assn of Los Angeles has entered into a contract for 2014 with Chrysalis, to provide this service. In addition to sidewalks, sidewalk furniture will also be cleaned on an as needed basis. Graffiti will be removed upon notification and identification. Trash will be removed and replaced with new liners. Bulky item will be called into 311 and removed as necessary. Plants and trees will receive watering, trenching and cleaning from H2O Pressure Washing. Gum removal will be done on as needed basis.

Security: The security supplied in 2013 will continue in 2014. Armed security guard will patrol the district in a patrol vehicle, by foot and on a bicycle. Reports will be made by patrol on a daily basis and monthly reports will be generated. Quarterly reports will be supplied to provide a summary of each three months. These reports will be added to the quarterly reports as well as the quarterly newsletters that are delivered to the stakeholders in the district. The Lincoln Heights Benefit Association of Los Angeles has entered into a contract with General Security Services to provide this service.

The cost for providing Sidewalk and Beautification services for 2014 is estimated at \$489,904 or 68% of the budget.

District Identity

The marketing plan will continue in 2014. Maintenance of the website is under construction. Promotion of the districts is planned. The district will also hold special events during the year and produce 4 newsletter publications per year. The district will continue holiday decoration in 2014.

The cost for providing District Identity for 2014 is estimated at \$64,840.24 or 9% of the budget.

Administrative/Corporate Operations

The district will continue to work in 2014 with the contracted BID management company for administration of the district services. The BID management company provides an office and a dedicated phone number for the

district. It also holds contracts for Sidewalk Operations & Beautification and District Identity services with various companies and ensures that all work is completed. Additionally, the BID management company works with the City of Los Angeles and handles all financial and administrative requirements.

The cost of providing administration for 2014 is estimated at \$100,862.58 or 14% of the budget.

Contingency/ City Fees/ Reserve

The contingency/city fees/reserve for 2014 will continue to be 9% of the budget and is used to cover slow and no pay assessments and unexpected expenditures as well as City Fees charged by the City of Los Angeles and County of Los Angeles for collection and distribution of revenue.

The 9% contingency for 2014 will be \$64,840.24 of the budget.

Total Estimate of Cost for 2014:

The District board voted a 2% CPI assessment increase for 2014. The total assessment amount for 2014 is \$622,742.06. A breakdown of the total estimated 2014 budget is attached to this report as Appendix A.

Method and Basis of Assessment:

The method and Basis for levying the 2014 assessment for the Lincoln Heights Business and Community Benefit District which is as follows:

Benefit Zone	Linear Frontage	Lot Square Footage	Building Square Footage	Single Family Residential Parcels – Sq. Ft. of building space
1	\$10.40	\$0.104	\$0.052	\$ 0.3121
2	\$ 5.20	\$0.0312	\$0.0312	\$ 0.3121
3	\$10.40	n/a	n/a	n/a

Amount of Surplus/Deficit from previous Fiscal Year: Based on the balance of accounts as of November 15 when this report was being drafted, the district is expected to have a surplus of \$94,705 from the 2013 fiscal year to be carried over into the 2014 fiscal year and allocated among the budget categories in the MDP. There is no deficit from 2013 to be carried over.

Amount of Contributions from other sources: The District anticipates receiving a grant for the installation of holiday decorations specifically for the use of marketing the District during the end of 2014. The approval of the grant is pending and the District expects notification of the award in August. If approved, the grant will be for \$3,000.

Appendix A

Total Estimate of Cost for the Lincoln Heights Business and Community Benefit District Fiscal Year 2014

Estimated Receivables

2014 Assessments	\$ 622,742.06
2013 Carryover (estimated)	\$ 94,705
2014 Estimated Contributions	\$ 3,000
Total Estimated Budget	\$ 720,447.06

Estimated Expenditures

Sidewalk Operations & Beautification	\$ 489,904 (68%)
District Identity	\$ 64,840.24 (9%)
Administrative/Corporate Operations	\$ 100,862.58 (14%)
Contingency/ City Fees/ Reserve	\$ 64,840.24 (9%)
Total Estimated Expenditures	\$720,447.06