

City of Los Angeles

CALIFORNIA



ERIC GARCETTI
MAYOR

OFFICE OF
CITY CLERK
**Neighborhood and Business
Improvement District Division**

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MIRANDA PASTER
ACTING DIVISION HEAD

July 22, 2014

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

Council District 5

REGARDING: THE ENCINO COMMONS (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 Encino Commons Business Improvement District's ("District") 2014 fiscal year (CF 10-0551). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an Annual Planning Report for the District must be submitted for approval by the City Council. The Encino Commons Business Improvement 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 Encino Commons Improvement District was established on July 26, 2006 by and through the City Council's adoption of Ordinance No. 177,776 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 State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following:

any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and 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 attached Annual Planning Report, which was approved by the District's Board at their meeting on December 12, 2013, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

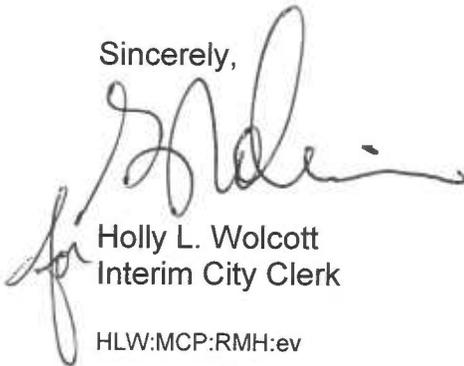
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Encino Commons Business Improvement District's 2014 fiscal year complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the Encino Commons Business Improvement District's 2014 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott
Interim City Clerk

HLW:MCP:RMH:ev

Attachment: Encino Commons Business Improvement District's 2014 Fiscal Year Annual Planning Report



The Encino Commons Property Business Improvement District

2014 Planning Report

Presented By:

The Encino Property Business Improvement
17547 Ventura Boulevard, #106
Encino, CA 91316

Prepared By:

Susan Levi & Associates, Inc.
13029-A Victory Boulevard, #319
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ENCINO PROPERTY BUSINESS IMPROVEMENT DISTRICT

Board of Directors and Officers

J. Richard Leyner
President

Philip Nazarian
Vice President

Rickey M. Gelb
Chief Financial Officer

Michael Greenhut
Secretary

Bill Benbassat
Director

The Encino Commons BID 2014 Annual Planning Report was unanimously approved by the Board of Directors at a Board Meeting held on December 12, 2013.

ENCINO COMMONS
The Valley's Miracle Mile

December 12, 2013

Ms. June Lagmay
City Clerk, City of Los Angeles
City Hall
200 North Spring Street, Suite 395
Los Angeles, CA 90012

SUBJECT: The Encino PBID 2014 Planning Report

Dear Ms. Lagmay:

As required by the Property and Business Improvement District Law of 1994, California Street and Highways Code Section 36650, the Board of Directors of the Encino Property Business Improvement District has caused this Planning Report to be prepared.

This report covers proposed activities from January 2014 through December 2014.

On behalf of the Encino Commons PBID, I would like to express our gratitude to you and your staff at the Special Assessments Section for your continuous support and cooperation.

Sincerely,



J. Richard Leyner
President

THE ENCINO COMMONS BID 2014 PLANNING REPORT

DESCRIPTION OF BOUNDARIES AND BENEFIT ZONES

The boundaries of the renewed Encino Commons BID are from Balboa to White Oak on Ventura Boulevard. The address series is 16900 Ventura Boulevard through 17661 Ventura Boulevard. Only commercial parcels shall be assessed to fund special benefit services as outlined in this plan. There are no changes to the boundaries or benefit zones for 2014.

There is only one benefit zone in the proposed district. The district includes a total of 74 parcels represented by 61 individual property owners.

LIST OF IMPROVEMENTS AND ACTIVITIES

The total improvement and activity plan for 2014 is to be \$123,046 in 2014 assessment revenue and approximately \$110,000 in 2013 rollover funds for a total 2014 budget of \$233,046. There are no deficit revenues carried over from a previous fiscal year. Interest accrued or delinquent payments may be expended in any budget category.

The BID has had a substantial rollover over the past few years. The initial concept was that 3 signs would be installed; a gateway spanning Ventura Boulevard in the center of the District, and two cantilever signs at the east and west boundaries. The Board wanted to complete the gateway to ensure there were sufficient funds available for the two cantilever signs. After the sign was finally completed, we received a tremendous amount of opposition from the Encino Neighborhood Council. As a result, the Board decided to not install additional signage.

The Owners' Association shall have the right to shift allocations within the budget categories up to 10% of the total budget.

A DESCRIPTION OF IMPROVEMENTS ARE AS FOLLOWS:

1. IMAGE ENHANCEMENT

The BID has contracted with the City of Los Angeles to install decorative duratherm crosswalks throughout the district. The BID was awarded \$50,000 from the Ventura-Cahuenga Specific Plan Review Board to supplement the cost. All remaining funds will be rolled over into this category for additional streetscape improvements. Image Enhancement will now include quarterly newsletters to inform stakeholders of the BID's progress and maintenance of the district's website, www.encinocommons.com, a valuable promotional tool for both property and business owners.

2. MAINTENANCE

Maintenance is the primary focus of the renewed BID. In the past nine years over 200 trees have been planted, 3 median islands and 39 decorative pots installed and landscaped, as well as street furniture, inlaid brickwork and litter receptacles. Landscape maintenance will be done on a weekly basis. All planters will be kept clear of trash and debris and weeded weekly. Flowers, shrubs and ground cover will be pruned or trimmed to maintain their size in respect to safety, species, size of planter or relative surroundings. Trees will be kept trimmed and shaped throughout the year to maintain pedestrian

clearance. Sprinkler systems will be continually checked and serviced, while planters without automatic irrigation will be hand watered. Curbs, parking and paved areas will be kept clean and trash receptacles will be emptied, wiped down and kept graffiti free. Additionally, all bus stops within the district will be pressure washed monthly and the entire district will be pressure washed quarterly.

3. ADMINISTRATION

Included in the Administration component are the costs for a part-time Executive Director, bookkeeping, office expenses, legal fees, accounting fees, bank charges, annual report and Directors & Officers and General Liability insurance.

4. SPECIAL PROJECTS/CONTINGENCY

The Special Projects/Contingency budget includes City/County collection fees, and additional projects the Owners' Association (BID) deems appropriate.

The list of improvements and activities proposed for 2014 are as follows:

<u>IMPROVEMENTS</u>	<u>2014</u>
IMAGE ENHANCEMENT	\$95,000
MAINTENANCE	\$95,000
ADMINISTRATION	\$34,200
SPECIAL PROJECTS/ CONTINGENCY	\$8,846
TOTAL	\$233,046

Note: Interest accrued or delinquent payments may be expended in any of the above categories.

TOTAL ANNUAL AMOUNT PROPOSED FOR IMPROVEMENTS, MAINTENANCE AND OPERATIONS FOR EACH YEAR OF OPERATION

Annual increases assume a three (3) percentage maximum increase in overall assessment revenues collected per year. This is the maximum allowable increase based upon the Management District Plan and assessment methodology of the property variables. This increase may be imposed at the discretion of the Owners' Association.

The Owners' Association shall make a notification to the City annually as to whether or not any adjustments to the current year's assessment rates will be made.

LEVYING OF ASSESSMENT IN SUFFICIENT DETAIL TO ALLOW EACH PROPERTY OWNER TO CALCULATE THE AMOUNT OF THE ASSESSMENT AGAINST THEIR PROPERTY

This method of financing the special services is based upon the levy of assessments on real property that benefit from proposed improvements and activities. This represents a "benefit assessment district" as defined in the State Law.

The assessments for the BID are based upon three variables, which have been endorsed by the property owners as the most fair and equitable for apportionment of assessments to participating parcels. **Building square footage** and **Lot size** will be assessed based upon the data submitted to the City. **Linear frontage** will be assessed only on the side fronting Ventura Boulevard.

The BID Property Variables:

<i>Property Variables</i>	<i>Total in District</i>
Building Square Footage	1,249,028 square feet
Lot Size	2,243,031 gross square feet
Linear Frontage	9,461.26 linear feet

The 2014 Annual BID Rates:

<i>Property Variable</i>	<i>Total in District</i>	<i>9th Year Annual Costs</i>	<i>Revenue Generated by Variable, 9th Year</i>
Bldg. Sq. ft.	1,249,028 square feet	\$0.049 per sq. foot	\$61,202.37
Lot Size	2,243,031 square feet	\$ 0.0135 per sq. foot	\$30,280.92
Linear	9,461.26 linear feet	\$3.336 per linear foot	\$31,562.76
Total			\$123,046.05

Assessment Formula:

(Lot size x rate per square foot) + (linear frontage x rate per linear foot) + (bldg. square footage x rate per square foot) = assessment. For example, (1000 square feet x **\$0.0135** = \$13.50) + (50 linear feet x **\$3.336** = \$166.80) + (800 square feet x **\$0.049** = \$39.20) = \$219.50.

**Encino Commons Business Improvement District
2014 Annual Report
2014 Fiscal Year Activities Budget**

Anticipated Assessment Revenue and Program Expenditures

Revenue Sources

2014 Special Assessment	\$ 123,046.00	
2013 Carryover	\$ 110,000.00	
2014 Total Estimated Budget		\$ 233,046.00

Program Expenditures

Image Enhancement	\$ 95,000.00	
Streetscape/Maintenance	\$ 95,000.00	
Program Management	\$ 34,200.00	
Special Projects/Contingency	\$ 8,846.00	
2014 Total Estimated Expenditures		\$ 233,046.00