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# City of Los Angeles

CALIFORNIA



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December 18, 2024

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

Council Districts 14

REGARDING:

**THE HISTORIC CORE 2024-2028 (PROPERTY BASED) BUSINESS IMPROVEMENT DISTRICT'S 2025 FISCAL YEAR ANNUAL PLANNING REPORT**

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Historic Core 2024-2028 Business Improvement District's ("District") 2025 fiscal year (CF 23-0460). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, an Annual Planning Report for the District must be submitted for approval by the City Council. The Historic Core 2024-2028 Business Improvement District's Annual Planning Report for the 2025 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

## BACKGROUND

The Historic Core 2024-2028 Business Improvement District was established on August 1, 2023 by and through the City Council's adoption of Ordinance No. 187941 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The Council established the District pursuant to State Law.

## ANNUAL PLANNING REPORT REQUIREMENTS

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

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

The attached Annual Planning Report, which was approved by the District's Board at their meeting on October 23, 2024, 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

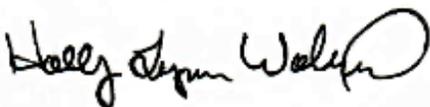
There is no impact to the General Fund associated with this action.

### RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Historic Core 2024-2028 Business Improvement District's 2025 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2025 budget concurs with the intentions of the Historic Core 2024-2028 Business Improvement District's Management District Plan and does not adversely impact the benefits received by assessed property owners.
3. ADOPT the attached Annual Planning Report for the Historic Core 2024-2028 Business Improvement District's 2025 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott  
City Clerk

Attachment:

Historic Core 2024-2028 Business Improvement District's 2025 Fiscal Year Annual Planning Report

December 16, 2024

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

Subject: Historic Core 2024-2028 PBID 2025 Annual Planning Report

Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, the Board of Directors of the Historic Core 2024-2028 Business Improvement District has caused this Historic Core 2024-2028 Business Improvement District Annual Planning Report to be prepared at its meeting on October 23, 2024.

This report covers proposed activities of the Historic Core 2024-2028 BID from January 1, 2025 through December 31, 2025.

Sincerely,

*K Blair Besten*

Blair Besten

Historic Downtown LA BID Prop Owners Assn

# Historic Core 2024-2028 Business Improvement District

## 2025 Annual Planning Report

### **District Name**

Historic Core Business Improvement District

### **Fiscal Year of Report**

The report applies to the 2025 Fiscal Year. The District Board of Directors approved the 2025 Annual Planning Report at the October 23, 2024 Board of Director's meeting.

### **Boundaries**

There are no changes to the District boundaries for 2025.

### **Benefit Zones**

There are no changes to the District's benefit zone(s) for 2025.

## **2025 IMPROVEMENTS, ACTIVITIES AND SERVICES**

### **Clean & Safe Programs: \$2,855,536.19 (71.00%)**

Clean encompasses all sidewalk, curb and other right-of-way services for each assessed parcel in the District and includes: sweeping, litter removal, enhanced emptying of trash cans, pressure washing/steam cleaning, graffiti/flyer/sticker/gum removal, tree trimming and weeding. Clean also includes the cost of equipment necessary to provide these services and may include personnel in vehicles (e.g. trucks, electric carts, etc.) Clean may also include property owner notification of conditions on private property that are unsafe or unfavorable to creating and preserving a clean and safe environment in the District (e.g. broken window/gate, vandalism, accumulated debris/garbage, etc.) Clean may also include notification to the City or other entities as appropriate (e.g. utilities) of any damage to public infrastructure or utilities or chronic issues with illegal dumping. Clean also includes the associated cost of facilities, utilities, equipment, training, etc. that are necessary to provide these clean services.

Safe encompasses all patrol/ambassadorial services for each assessed parcel in the District and includes: personnel on foot, bike, or other vehicles (e.g. trucks, electric carts, etc.), ambassadors (specially trained personnel able to provide directions, transit information, business information, event information, social service referrals, etc.), on-call assistance, crowd control, crime prevention activities (e.g. Neighborhood Watch), escorting residents, patrons, employees, etc. safely between locations within the District, and distribution of special bulletins (e.g. street closures, emergency alerts.) Safe also includes the associated cost of facilities, utilities, equipment, training, etc. that are necessary to provide these safe services.

### **Administration & Corporate Operations: \$603,282.29 (15.00%)**

Administration & Corporate Operations includes activities such as: personnel, operations, overhead costs such as office equipment and supplies, professional services (e.g. legal, accounting, insurance), production of the Annual Planning Report and Budget and quarterly reports, facilitation of meetings of the Owners' Association, Brown Act compliance, outreach to District property and business owners, and participation in professional peer/best practice forums such as the LA BID Consortium, the California Downtown Association or the International Downtown Association. It also covers the costs associated with District renewal, as well as City and/or County fees associated with their oversight and implementation of the District, the Owners' Association's compliance with the terms of its contract with the City, and the implementation of the Management District Plan and the Engineer's Report.

### **Communications & Development: \$281,531.74 (7.00%)**

Communications & Development includes activities designed to enhance the attractiveness and marketability of these identified assessed parcels through the following activities: production of a quarterly (minimum frequency) newsletter that shall be distributed to property owners in the District, efforts to cultivate and recognize the satisfaction, retention and attraction of businesses, employees and customers/visitors, advertising, response to media inquiries, cultivation of media exposure, and promotion of the District as a great place to live, work or visit through a website and/or social media. To the extent that funds are available, it could also include additional efforts such as a District-wide marketing strategy, holiday lighting or decorations, street banners, wayfinding activities, art installation or development of special events (e.g. festival) or other community identity and branding efforts that promote the assessed parcels in the District.

### **Contingency Reserve & Delinquencies: \$281,531.73 (7.00%)**

Contingency Reserve & Delinquencies includes contingency funds (for variable or unknown costs) and reserves sufficient to cover slow pay of privately or publicly owned parcels. In any District, certain parcels will not make timely assessment payments. Occasionally, unpaid assessments/property taxes will result in a lien that may not be resolved for a substantial time. The Contingency Reserve & Delinquencies category allow the District to budget for these variables. Available funds may be reallocated from the Contingency Reserve & Delinquencies category to the other Service & Improvement Plan categories outlined above.

### **Total Estimate of Cost for 2025**

A breakdown of the total estimated 2025 budget is attached to this report as **Appendix A**.

### **Method and Basis of Levying the Assessment**

The Method for levying the 2025 assessment remains the same as listed in the Management

District Plan. The management plan allows for a maximum annual CPI increase of 8%. The Board voted for a 8% CPI increase for 2025.

The assessment rates for 2025 are as follows:

All Parcels:

Bldg Area SF - \$0.0891

Residential Condo Bldg Area SF - \$0.4635

Land Area SF - \$0.2445

Street Frontage LF - \$43.9818

Publicly Owned Parcels Not Assessed for Communication & Development:

Bldg Area SF - \$0.0810

Land Area SF - \$0.2224

Street Frontage LF - \$40.0235

**(There is a 8.0% CPI increase for 2025)**

**Surplus Revenues: \$332,237.45**

\$201,923 is planned carryover to fund beginning of year operations; balance is due to more revenue collected than anticipated. This is purely a timing issue. \$130,314 is earmarked to pay safety invoices and part of clean invoices that are due before we typically receive our first city payment for 2025.

**Anticipated Deficit Revenues**

There are no deficit revenues that will be carried over to 2025.

**Contribution from Sources other than assessments: \$73,787.33**

General benefit collection for L.A. City.

**APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Historic Core 2024-2028 BID- FY 2025**

<b>2025 Assessments</b>	<b>\$3,615,857.17</b>	
<b>Estimated Carryover from 2024</b>	<b>\$332,237.45</b>	
<b>Other Income</b>	<b>\$73,787.33</b>	
<b>Total Estimated Revenues</b>	<b>\$4,021,881.95</b>	
<b>2025 Estimated Expenditures</b>		<b>Pct.</b>
<b>Clean &amp; Safe Programs</b>	<b>\$2,855,536.19</b>	<b>71.00%</b>
<b>Administration &amp; Corporate Operations</b>	<b>\$603,282.29</b>	<b>15.00%</b>
<b>Communications &amp; Development</b>	<b>\$281,531.74</b>	<b>7.00%</b>
<b>Contingency Reserve &amp; Delinquencies</b>	<b>\$281,531.73</b>	<b>7.00%</b>
<b>Total Estimated Expenditures</b>	<b>\$4,021,881.95</b>	<b>100%</b>