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December 5, 2023

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

Council Districts 9

REGARDING:

THE SOUTH LOS ANGELES INDUSTRIAL TRACT 2021-2024 (PROPERTY BASED)
BUSINESS IMPROVEMENT DISTRICT'S 2024 FISCAL YEAR ANNUAL PLANNING
REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the South Los Angeles Industrial Tract 2021-2024 Business Improvement District's ("District") 2024 fiscal year (CF 14-1072). 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 South Los Angeles Industrial Tract 2021-2024 Business Improvement District's Annual Planning Report for the 2024 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The South Los Angeles Industrial Tract 2021-2024 Business Improvement District was established on June 25, 2020 by and through the City Council's adoption of Ordinance No. 186688 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 November 14, 2023, 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

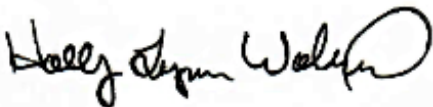
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the South Los Angeles Industrial Tract 2021-2024 Business Improvement District's 2024 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2024 budget concurs with the intentions of the South Los Angeles Industrial Tract 2021-2024 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 South Los Angeles Industrial Tract 2021-2024 Business Improvement District's 2024 fiscal year, pursuant to the State Law.

Sincerely,

A handwritten signature in black ink, appearing to read "Holly L. Wolcott", is written over a light blue grid background.

Holly L. Wolcott

City Clerk

Attachment:

South Los Angeles Industrial Tract 2021-2024 Business Improvement District's 2024 Fiscal Year Annual Planning Report

December 1, 2023

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

Subject: South Los Angeles Industrial Tract 2021-2024 PBID 2024 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 South Los Angeles Industrial Tract 2021-2024 Business Improvement District has caused this South Los Angeles Industrial Tract 2021-2024 Business Improvement District Annual Planning Report to be prepared at its meeting on November 14, 2023.

This report covers proposed activities of the South Los Angeles Industrial Tract 2021-2024 BID from January 1, 2024 through December 31, 2024.

Sincerely,



Susan Levi

South Los Angeles Industrial
Tract 2021-2024
Business Improvement District

2024 Annual Planning Report

District Name

This report is for the South Los Angeles Industrial Tract Business Improvement District (District). The District is operated by the South Los Angeles Industrial Tract Property Owners Association, a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2024 Fiscal Year. The District Board of Directors approved the 2024 Annual Planning Report at the November 14, 2023 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2024.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2024.

2024 IMPROVEMENTS, ACTIVITIES AND SERVICES

Security: \$745,875.00 (79.33%)

The South Los Angeles Industrial Tract BID security program mission is to support the property owners and tenants in overall crime prevention and reduction efforts, while offering a customer service orientation to tenants.

The security team provides services on a 24-hour basis through a combination of bicycle and vehicular patrol. These services are intended to deter property theft, illegal dumping, and other related issues. Uniformed safety patrol officers provide a variety of security and safety services by assisting property owners, patrons, visitors, and employees through their presence and interaction with and reporting criminal activities and quality of life issues to LAPD. Security personnel monitors the sixty video cameras 24 hours a day, 7 days a week. The video monitoring acts as a dispatcher by observing incidents and dispatching either the bike patrol or vehicle patrol to investigate. This allows the SLAIT BID to contact LAPD to formally assist when needed.

Security also includes the operation and maintenance of over a dozen automatic opening security gate arm pairs that serve as a "traffic calming" measure. Included in this service are costs associated with maintenance of the various security features (i.e. cameras, security software, and street crossing gates) as they become excessively worn and/or obsolete.

Streetscape Services: \$86,518.21 (9.20%)

Streetscape Services includes regular programmed and response oriented sidewalk sweeping and pressure washing, graffiti abatement, removal of trash and discarded bulky items, and other streetscape related issues that may arise.

Marketing: \$1,700.00 (0.18%)

Included in the Marketing program are the costs for the production of a quarterly newsletter and conducting the annual meeting of property and business owners.

Program Management: \$72,409.00 (7.70%)

Included in the Program Management program are the costs for personnel to oversee the implementation of the Management District Plan and various programs, oversight of the Owners' Association's compliance with the terms of its contract with the City, accounting/bookkeeping fees, Directors & Officers and General Liability insurance.

Operations: \$33,742.00 (3.59%)

Included in the Operations program are the costs for office expenses, legal fees, production of the Annual Planning Report and Budget, quarterly reports, costs associated with the SLAIT BID renewal, as well as City and/or County fees associated with their oversight of the SLAIT BID.

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Total Estimate of Cost for 2024

A breakdown of the total estimated 2024 budget is attached to this report as **Appendix A.**

Method and Basis of Levying the Assessment

The method and basis of levying the 2024 assessment are the same as listed in the Management District Plan. The Management District Plan allows for maximum annual assessment increase of 5%. The Board voted for no increase in 2024. The 2024 assessment rates are as follows:

2024 assessment rate:
Lot square footage \$0.093

(There is No CPI increase for 2024)

Surplus Revenues: \$102,843.00

The BID will be rolling over approximately \$102,843.00 of assessment revenue into the 2024 budget. These funds have been generated as a result of several factors.

The BID has 3 outstanding contracts with Metro Video - two were just recently signed and one is outstanding from 2022. These encumbered funds total over \$52,000.

The two most recent contracts will fund repair work needed to several of the gated entries into the district, the purchase and installation of a new 360 camera, as well as an upgrade to the hardware/software that will increase the bandwidth and allow for better transmission of data through this wireless system. The total outstanding amount of this contract is \$19,958.86.

A camera was stolen at McKinley and Florence and needs to be replaced. The total remaining balance of the project is \$2,442.25.

In late 2022, the BID contracted to install two new 360-degree - Pan, Tilt and Zoom cameras. They were on backorder for quite some time and then we had issues with electrical supply on power poles. We anticipate these will be installed in early 2024. The remaining balance of this project is \$30,085.58.

The remaining surplus is a result of savings accrued from the security patrol and maintenance budgets. During the course of the year, we have consistently had 1-3 positions open that were being covered by unbillable overtime. It is very typical that some surplus is generated each year as a result of not running fully staffed. Additional surplus was generated from unspent funds allocated to the BID's security incentive program. This incentive program will continue into 2024 and will allow the BID to remain competitive in the hourly pay rate offered while attracting and retaining quality employees.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2024.

Contribution from Sources other than assessments: \$15,277.00

General Benefit

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE South Los Angeles Industrial Tract 2021-2024 BID- FY 2024

2024 Assessments	\$822,124.21	
Estimated Carryover from 2023	\$102,843.00	
Other Income	\$15,277.00	
Total Estimated Revenues	\$940,244.21	
2024 Estimated Expenditures		Pct.
Security	\$745,875.00	79.33%
Streetscape Services	\$86,518.21	9.20%
Marketing	\$1,700.00	0.18%
Program Management	\$72,409.00	7.70%
Operations	\$33,742.00	3.59%
Total Estimated Expenditures	\$940,244.21	100%