

HOLLY L. WOLCOTT  
CITY CLERK

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PETTY F. SANTOS  
EXECUTIVE OFFICER

# City of Los Angeles

CALIFORNIA



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November 14, 2024

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

Council Districts 14

## REGARDING:

THE BID: ARTS DISTRICT LA 2024-2030 (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 BID: Arts District LA 2024-2030 Business Improvement District's ("District") 2025 fiscal year (CF 23-0391). 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 BID: Arts District LA 2024-2030 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 BID: Arts District LA 2024-2030 Business Improvement District was established on June 28, 2023 by and through the City Council's adoption of Ordinance No. 187928 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 16, 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 BID: Arts District LA 2024-2030 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 BID: Arts District LA 2024-2030 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 BID: Arts District LA 2024-2030 Business Improvement District's 2025 fiscal year, pursuant to the State Law.

Sincerely,

A handwritten signature in black ink, appearing to read "Petty F. Santos", with a stylized, flowing script.

Petty F. Santos  
Executive Officer

Attachment:

BID: Arts District LA 2024-2030 Business Improvement District's 2025 Fiscal Year Annual Planning Report

November 12, 2024

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

Subject: BID: Arts District LA 2024-2030 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 BID: Arts District LA 2024-2030 Business Improvement District has caused this BID: Arts District LA 2024-2030 Business Improvement District Annual Planning Report to be prepared at its meeting on October 16, 2024.

This report covers proposed activities of the BID: Arts District LA 2024-2030 BID from January 1, 2025 through December 31, 2025.

Sincerely,

A handwritten signature in black ink that reads "Miguel Vargas". The script is cursive and elegant, with the first letter of each word being capitalized and larger than the others.

Miguel Vargas

Arts District Los Angeles

# BID: Arts District LA 2024-2030 Business Improvement District

## 2025 Annual Planning Report

### **District Name**

Arts District Los Angeles 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 16, 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: \$1,639,740.79 (75.00%)**

Enhanced Safe Programs:

An Arts District Los Angeles Business Improvement District Safe Team to deter crime for parcels in the District will consist of the following:

- Bicycle Patrol
- Vehicle Patrol
- Foot Patrol

Enhanced Clean Programs will consist of the following:

- Sidewalk Sweeping
- Sidewalk Pressure Washing
- Graffiti & Handbill Removal
- Trash Removal
- Landscape Programs

#### **Communication: \$109,316.05 (5.00%)**

Communications services will encompass the following:

- Media and Communication Programs
- District stakeholder communications
- Website

**Management/Office/City Fees: \$437,264.21 (20.00%)**

Management staff expenses are allocated according to generally accepted accounting job costing procedures and are allocated to the specific areas in which staff works (see Section 3 of MDP, for detail on allocation). The improvements and activities are managed by a professional staff that requires centralized administrative support. Management staff oversees the District's services which are delivered seven days a week. A well-managed District provides necessary BID program oversight and guidance that produces higher quality and more efficient programs.

**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 methodology to levy assessments upon real property that receives special benefits from the improvements and activities of the Arts District Los Angeles Business Improvement District is Parcel Square Footage and Building Square Footage as the two assessment variables. The assessment rate for 2025 is as follows:

Building SF: \$0.08236

Parcel SF: \$0.07866

**(There is a 3.0% CPI increase for 2025)**

**Surplus Revenues: \$0.00**

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

**Anticipated Deficit Revenues**

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

**Contribution from Sources other than assessments: \$288,319.06**

\$ 249,795.00 is payments from our service contract with Warner Music for dedicated patrol services, and \$38,524.06 is our general benefit payment from the City

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE BID: Arts District LA 2024-2030 BID- FY 2025

2025 Assessments	\$1,898,001.99	
Estimated Carryover from 2024	\$0.00	
Other Income	\$288,319.06	
Total Estimated Revenues	\$2,186,321.05	
2025 Estimated Expenditures		Pct.
Clean & Safe	\$1,639,740.79	75.00%
Communication	\$109,316.05	5.00%
Management/Office/City Fees	\$437,264.21	20.00%
Total Estimated Expenditures	\$2,186,321.05	100%