

2025-2034



# LOS ANGELES TOURISM MARKETING DISTRICT MANAGEMENT DISTRICT PLAN

*Prepared pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq.*

February 14, 2025

## Contents

I.	OVERVIEW .....	3
II.	BACKGROUND .....	5
III.	DEFINITIONS .....	6
IV.	BOUNDARY .....	8
V.	ASSESSMENT BUDGET AND SERVICES.....	9
A.	Annual Service Plan.....	9
B.	Annual Budget .....	12
C.	Carryover Funds.....	13
D.	California Constitutional Compliance .....	13
E.	Assessment.....	15
F.	Penalties and Interest .....	16
G.	Time and Manner for Collecting Assessments .....	17
VI.	GOVERNANCE.....	18
A.	Owners' Association .....	18
B.	Brown Act and California Public Records Act Compliance .....	18
C.	Annual Report.....	18
D.	Auditing .....	19
	APPENDIX 1 – LAW .....	20
	APPENDIX 2 – ASSESSED BUSINESSES .....	32
	APPENDIX 3 – BOUNDARIES OF AREAS FOR BOARD MEMBER SELECTION .....	37
	APPENDIX 4 – BENEFIT STUDY .....	38

Prepared by  
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## I. OVERVIEW

Developed by Los Angeles lodging businesses and the Los Angeles Tourism Marketing District Corporation (the Corporation), the Los Angeles Tourism Marketing District (LATMD) is an assessment district proposed to continue to provide specific benefits to payors, by funding marketing and sales promotion efforts for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of additional demand for room night sales directly to payors. The LATMD was initially formed in 2011 for a five (5) year term, and subsequently renewed in 2016 for a nine (9) year nine (9) month term. The Corporation and Los Angeles lodging businesses now wish to renew the LATMD for an additional term of nine (9) years and seven (7) months.

*Location:* The LATMD includes all lodging businesses with fifty (50) rooms or more located within the boundaries of the City of Los Angeles (the City), as shown on the map in Section IV.

*Services:* The LATMD is designed to provide specific benefits directly to payors by increasing awareness and demand for room night sales. Marketing and sales promotions will increase demand for overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing demand for room night sales.

*Budget:* The total LATMD annual assessment budget for each full year (January 1 – December 31) of operations is anticipated to be approximately \$37,800,000. The initial “year” of operations will be a partial year consisting of seven (7) months, with an anticipated assessment budget of \$22,000,000. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as room sales do, as lodging businesses open and close, and if the assessment rate is increased or decreased, as detailed in Section V of this Plan.

*Cost:* The initial annual assessment rate is two percent (2%) of gross short-term sleeping room rental revenue on lodging businesses with fifty (50) rooms or more. During the LATMD’s nine (9) year and seven (7) month term, the assessment rate may be increased by the Owners’ Association to a maximum rate of three percent (3%) of gross short-term sleeping room rental revenue for assessed lodging businesses. The maximum increase or decrease in any year shall be one half of one percent (0.5%). If the assessment rate is increased, it may subsequently be decreased but shall not be decreased below a minimum of two percent (2%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on certain stays as described in Section V part E.

*Collection:* The City will be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the LATMD. The City shall take all reasonable efforts to collect the assessments from each lodging business.

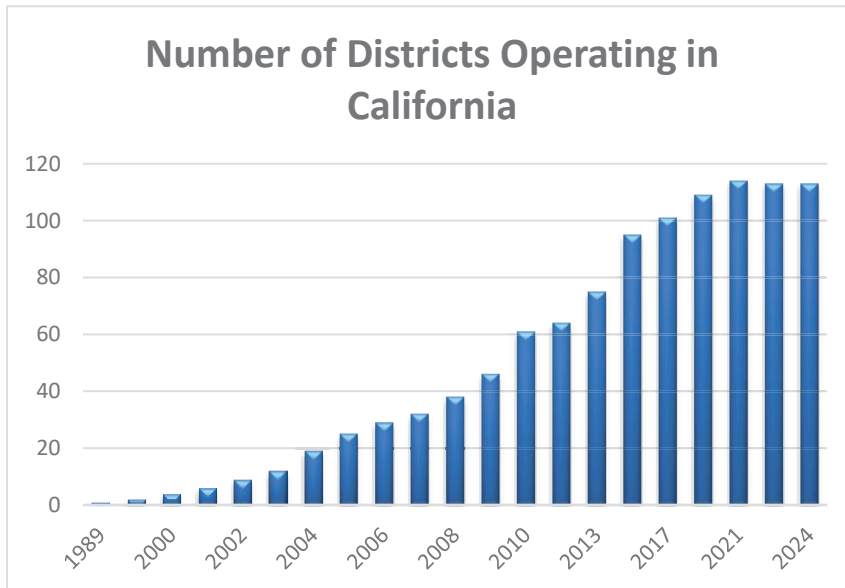
*Duration:* The LATMD will have a nine (9) year and seven (7) month life, beginning June 1, 2025 or as soon as possible thereafter, and ending nine (9) years and seven (7) months from its start date. After nine (9) years and seven (7) months, the LATMD may be renewed

pursuant to the Property and Business Improvement District Law of 1994 if lodging business owners support continuing the LATMD programs. Once per year, beginning on the anniversary of LATMD renewal, there is a thirty (30) day period in which owners paying fifty percent (50%) or more of the assessment may protest and initiate a City Council hearing on LATMD termination.

*Management:* A nonprofit corporation will continue to serve as the LATMD's Owners' Association, under contract with the City. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual planning reports to the City Council.

## II. BACKGROUND

TMDs are an evolution of the traditional Business Improvement District. The first TMD was formed in West Hollywood, California in 1989. Since then, over 100 California destinations have followed suit. In recent years, other states have begun adopting the California model – Massachusetts, Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TMD laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TMD. Additionally, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TMDs without a state law.



California's TMDs collectively raise over \$300 million annually for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that Los Angeles lodging businesses continue to invest in stable, commerce-specific marketing programs.

TMDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TMDs allow lodging business owners

to organize their efforts to increase commerce. Lodging business owners within the TMD pay an assessment and those funds are used to provide services that increase commerce.

In California, most TMDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TMDs and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TMDs:

- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are ***designed, created and governed by those who will pay*** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

### III. DEFINITIONS

As used herein the following terms shall be defined as follows:

***Baseline Level of Services:*** The “baseline level of services” is those tourism marketing services funded by the City of Los Angeles at a rate of one percent (1%) of the gross short-term sleeping room rental revenue in the City of Los Angeles. The services provided pursuant to the City’s existing contract for marketing services are considered the baseline level of services. The LATMD funded services will supplement, not supplant, the City’s pre-existing marketing programs. In the event the City of Los Angeles reduces tourism marketing funding to a level below the baseline subsequent to the renewal of the LATMD, it is the intent of the lodging businesses with fifty (50) rooms or more to gather petitions to disestablish the LATMD pursuant to Streets and Highways Code §36670(a)(2).

***Gross Short- Term Sleeping Room Rental Revenue:*** The term “gross short-term sleeping room rental revenue” as used herein includes the following: the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross revenue shall not include any federal, state or local taxes collected.

***Lodging Business:*** “Lodging Business” means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio, hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, or other similar structure or portion thereof, with fifty (50) rooms or more.

***Lodging Business Owner:*** “Lodging Business Owner” means the person or organization shown as the owner of the business on the City of Los Angeles’ records.

***Owners’ Association:*** “Owners’ Association” means a private nonprofit entity that is under contract with the City of Los Angeles to administer or implement activities and improvements specified in this Management District Plan. An Owners’ Association may be an existing nonprofit entity or a newly formed nonprofit entity. An Owners’ Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an Owners’ Association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with *Section 54950*) of *Part 1 of Division 2 of Title 5 of the Government Code*), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with *Section 6250*) of *Division 7 of Title 1 of the Government Code*), for all documents relating to activities of the district.

***Transient:*** 1. Any person, other than an individual, who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for any period of time, or

2. Any individual who personally exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such individual so occupying space in a lodging business shall be deemed to be a transient until the period of 30 days has expired

unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy.

The LATMD shall include all lodging businesses with fifty (50) rooms or more, existing and in the future, available for public occupancy located within the boundaries of the City of Los Angeles, as shown in the map below. New lodging businesses with fifty (50) rooms or more opening during the term of the LATMD, and lodging businesses expanding to fifty (50) rooms or more during the term of the LATMD, will be assessed in the LATMD upon their expansion or opening. Lodging businesses with fifty (50) rooms or more which reduce the number of rooms to less than fifty (50) during the term of the district will cease to be assessed upon reduction of rooms to less than fifty (50).

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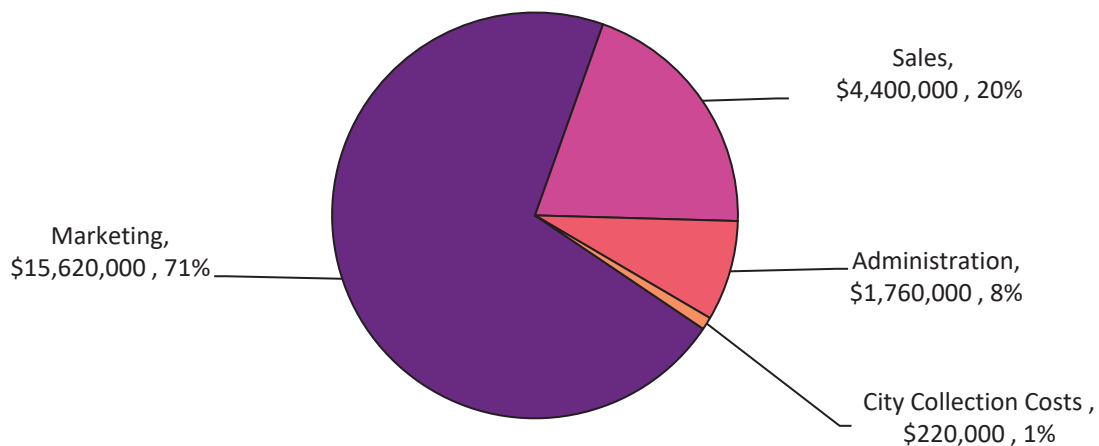
## V. ASSESSMENT BUDGET AND SERVICES

### A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits or granting the privileges. The privileges and services provided with the LATMD funds are sales and marketing programs available only to assessed lodging businesses.

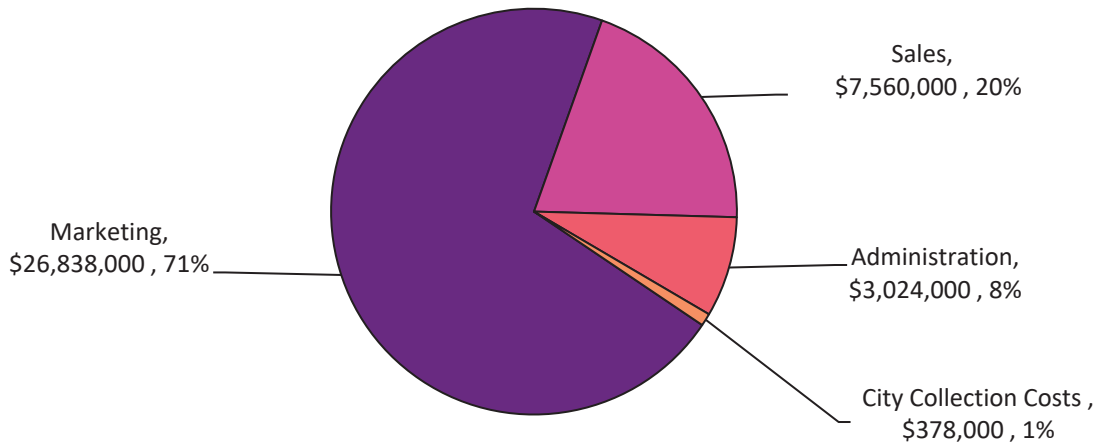
A service plan assessment budget has been developed to deliver services that benefit the assessed lodging businesses. A detailed annual assessment budget will be developed and approved by the Owners' Association. The chart below illustrates the initial annual assessment budget for the fiscal year June 1, 2025 – December 31, 2025, which covers the initial seven (7) month period of the LATMD. These activities and allocations will also apply in subsequent years.

### Fiscal Year 2025 (June - December) Assessment Budget: \$22,000,000



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. The chart on the following page illustrates the estimated annual assessment budget for fiscal year two (Jan 1, 2026 – December 31, 2026). However, the Owners' Association's board, subject to approval by the Los Angeles City Clerk, shall have the authority to adjust budget allocations between the categories by no more than ten percent (10%) per line item per year. At its discretion, the Board may establish a reserve fund within the contingency/reserve/renewal budget line item, subject to such limitations as the Board deems fit. Any adjustments in excess of ten percent (10%) of the annual budget must be approved by the Los Angeles City Council.

## Fiscal Year 2026 (January - December) Assessment Budget: \$37,800,000



A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the LATMD, any and all assessment funds may be used for the costs of defending the LATMD at the discretion of the Owner's Association board.

Each budget category includes all costs related to providing that service. For example, the marketing budget includes the cost of staff time dedicated to overseeing and implementing the marketing program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories. The staffing levels necessary to provide the services below will be determined by the Board on an as-needed basis.

### Marketing

Marketing and promotions programs will be designed to provide the specific benefit of increased demand for room night sales for each assessed lodging business with fifty (50) rooms or more. Marketing and promotions programs funded by the LATMD will not be provided to lodging businesses which are not assessed by the LATMD. Marketing and promotions programs will include but are not limited to:

- Advertising assessed lodging businesses with fifty (50) rooms or more directed to consumers and the meetings trade;
- Development, marketing and maintenance of a website featuring assessed lodging businesses with fifty (50) rooms or more. LATMD funds will not be used to promote any lodging businesses not paying the LATMD assessment on any such website;
- Marketing and promotions programs designed to increase demand for room night sales at assessed lodging businesses with fifty (50) rooms or more by driving traffic to the specific website promoting assessed lodging businesses with fifty (50) rooms or more;
- Regional marketing programs designed to drive traffic to the website and staff which promote demand for room night sales at assessed lodging businesses with fifty (50) rooms or more, as well as driving traffic to those assessed lodging businesses with fifty (50) rooms or more paying

the LATMD assessment;

- A national branding campaign including print, radio, web, social media and television ads which are designed to drive traffic to the website and staff which promote demand for room night sales at assessed lodging businesses with fifty (50) rooms or more;
- Increased media reach and exposure for the website and staff which promote demand for room night sales for only those assessed lodging businesses with fifty (50) rooms or more; and
- Activities designed to support the above efforts through Consumer Research, Market Intelligence and opportunities to increase awareness and demand for overnight stays at assessed lodging businesses with fifty (50) rooms or more.

## **Sales**

Sales and Client Service Activities to increase demand for room night sales for the specific benefit of each assessed lodging businesses with fifty (50) rooms or more, including but not limited to:

- Sales and services staff deployed to sell Los Angeles with emphasis on its regions and the assessed lodging businesses within each region. Lodging businesses with less than fifty (50) rooms that do not pay the LATMD assessment will not be served by sales and services staff paid for the by LATMD;
- Development of new business for both self-contained individual hotel meetings and city-wide conventions which will generate an increase in demand for room night sales at assessed lodging businesses with fifty (50) rooms or more. Lodging businesses with less than fifty (50) rooms that do not pay the LATMD assessment will not receive any leads generated by LATMD-funded new business development, nor will LATMD funds be used to promote any lodging business not paying the assessment in connection with any convention that results from new business development efforts;
- Pre and post meeting support to self-contained groups which work to generate demand for room night sales at assessed lodging businesses with fifty (50) rooms or more. LATMD staff will work with meeting planners to match their specific lodging needs with an LATMD lodging business(es) that meets their criteria; and
- Provide staffing, including sales directors and managers for group meetings and conventions which will generate demand for room night sales for assessed lodging businesses with fifty (50) rooms or more. The staffing funded by the LATMD assessment will generate demand for room night sales for only assessed lodging businesses with fifty (50) rooms or more. Lodging businesses that are not assessed by the LATMD will not receive services from the additional staff provided with LATMD funds.

## **Administration and Operations**

The administrative and operations portion of the budget shall be utilized for administrative staffing costs, office costs, advocacy, and other general administrative costs such as insurance, legal, and accounting fees. The administration and operations budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for marketing and sales program costs at the discretion of the Owners' Association. Policies relating to contributions to the reserve fund and expenditure of monies from the reserve fund shall be set by the Board of the Owners' Association. The contingency and or the reserve funds may be used for the costs of renewing the LATMD.

## **City Administration Fee**

The City of Los Angeles shall be paid a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

## B. Annual Budget

The total LATMD annual assessment budget for each full year (January 1 – December 31) of operations is anticipated to be approximately \$37,800,000. The initial “year” of operations will be a partial year consisting of seven (7) months, with an anticipated assessment budget of \$22,000,000. The total budget for the entire life of the LATMD is expected to be \$503,950,000 through 2034 if the maximum assessment rate increases are adopted. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as room sales do, as lodging businesses open and close, and if the assessment rate is increased or decreased pursuant to this Plan.

The initial annual assessment rate is two percent (2%) of gross short-term sleeping room rental revenue on assessed lodging businesses with fifty (50) rooms or more. During the LATMD’s nine (9) year and seven (7) month term, the assessment rate may be increased by the Board to a maximum rate of three percent (3%) of gross short-term sleeping room rental revenue for assessed businesses. The maximum increase or decrease in any year shall be one half of one percent (0.5%). If the assessment rate is increased, it may subsequently be decreased but shall not be decreased below a minimum of two percent (2%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on certain stays as described in Section V part E.

The table below demonstrates the estimated maximum budget with the assumption that the assessment rate will be increased at the earliest opportunity as it is a required disclosure, it is not the anticipated course of action. Alternate courses of action may be taken in regard to implementing the assessment rate increase other than what is demonstrated in the chart below, within the parameters of this Management District Plan.

### Estimated Annual Budget if Maximum Assessment Rates are Adopted\*

Year	Marketing	Sales	Admin and Operations	City Collection Fee	Total
2025	\$15,620,000	\$4,400,000	\$1,760,000	\$220,000	*\$22,000,000
2026	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2026	\$33,547,500	\$9,450,000	\$3,780,000	\$472,500	\$47,250,000
2028	\$40,257,000	\$11,340,000	\$4,536,000	\$567,000	\$56,700,000
2029	\$40,257,000	\$11,340,000	\$4,536,000	\$567,000	\$56,700,000
2030	\$40,257,000	\$11,340,000	\$4,536,000	\$567,000	\$56,700,000
2031	\$40,257,000	\$11,340,000	\$4,536,000	\$567,000	\$56,700,000
2032	\$40,257,000	\$11,340,000	\$4,536,000	\$567,000	\$56,700,000
2033	\$40,257,000	\$11,340,000	\$4,536,000	\$567,000	\$56,700,000
2034	\$40,257,000	\$11,340,000	\$4,536,000	\$567,000	\$56,700,000
Total	<b>\$357,804,500</b>	<b>\$100,790,000</b>	<b>\$40,316,000</b>	<b>\$5,039,500</b>	<b>\$503,950,000</b>

*\*Fiscal year 2025 only covers a seven (7) month period. The estimate for the first full year of operation of the LATMD is \$37,800,000, which translates to approximately \$3,150,000 per month. The subsequent years in the above table use the \$37,800,000 figure as a base number for all calculations.*

The table below demonstrates the annual improvement and service plan budget with the assumption that the assessment rates will not be increased during the LATMD's term.

### Estimated Annual Budget if Maximum Assessment Rates Are Not Adopted\*

Year	Marketing	Sales	Admin and Operations	City Collection Fee	Total
2025	\$15,620,000	\$4,400,000	\$1,760,000	\$220,000	*\$22,000,000
2026	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2027	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2028	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2029	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2030	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2031	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2032	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2033	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
2034	\$26,838,000	\$7,560,000	\$3,024,000	\$378,000	\$37,800,000
Total	<b>\$257,162,000</b>	<b>\$72,440,000</b>	<b>\$28,976,000</b>	<b>\$3,622,000</b>	<b>\$362,200,000</b>

\*Fiscal year 2025 only covers a seven (7) month period. The estimate for the first full year of operation of the LATMD is \$37,800,000 which translates to approximately \$3,150,000 per month. The subsequent years in the above table use the \$37,800,000 figure as a base number for all calculations.

### C. Carryover Funds

The estimate for assessment funds carried over from the current Los Angeles Tourism Marketing District Business Improvement District to the first year budget of the renewed LATMD is \$5,400,000. The amount of actual prior year carryover funds, if any, from the 2025 budget will be applied to the renewed LATMD budget. Because there is no certainty that there will be any surplus funds, the surplus funds are not included in this Plan's budget for year one of the renewed LATMD.

### D. California Constitutional Compliance

The LATMD assessment is not a property-based assessment subject to the requirements of Proposition 218. Courts have found Proposition 218 limited the term 'assessments' to levies on real property.<sup>1</sup> Rather, the LATMD assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the LATMD, a "specific benefit" and a "specific government service." Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

#### 1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, "a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege."<sup>2</sup> The services in this Plan are designed to provide targeted benefits directly to assessed lodging businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific lodging businesses within the LATMD. The

<sup>1</sup> *Jarvis v. the City of San Diego* 72 Cal App. 4<sup>th</sup> 230

<sup>2</sup> Cal. Const. art XIII C § 1(e)(1)

activities described in this Plan are specifically targeted to increase demand for room night sales for assessed lodging businesses within the boundaries of the LATMD, and are narrowly tailored. LATMD funds will be used exclusively to provide the specific benefit of increased demand for room night sales directly to the assessees. Assessment funds shall not be used to feature non-assessed lodging businesses in LATMD programs, or to directly generate demand for sales for non-assessed businesses. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed lodging businesses. Nothing in this Plan limits the ability of the Owners' Association to enter into private contracts with non-assessed lodging businesses for the provision of services to those businesses.

The assessment imposed by this LATMD is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in demand for room night sales. The specific benefit of an increase in demand for room night sales for assessed lodging businesses will be provided only to lodging businesses paying the district assessment, with marketing and sales programs promoting lodging businesses paying the LATMD assessment. The marketing and sales programs will be designed to increase demand for room night sales at each assessed lodging businesses. Because they are necessary to provide the marketing and sales programs that specifically benefit the assessed lodging businesses, the administration and contingency services also provide the specific benefit of increased demand for room night sales to the assessed lodging businesses.

Although the LATMD, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, "A specific benefit is not excluded from classification as a 'specific benefit' merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor."<sup>3</sup>

## ***2. Specific Government Service***

The assessment may also be utilized to provide, "a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product."<sup>4</sup> The legislature has recognized that marketing and promotions services like those to be provided by the LATMD are government services within the meaning of Proposition 26<sup>5</sup>. Further, the legislature has determined that "a specific government service is not excluded from classification as a 'specific government service' merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor."<sup>6</sup>

## ***3. Reasonable Cost***

LATMD services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by the Owners' Association, and reports submitted on an annual basis to the City. Only assessed lodging businesses will be featured in marketing materials, receive sales leads generated from LATMD-funded activities, be featured in advertising campaigns, and benefit from other LATMD-funded services. Non-assessed lodging businesses will not receive these, nor any other, LATMD-funded services and benefits.

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<sup>3</sup> Government Code § 53758(a)

<sup>4</sup> Cal. Const. art XIII C § 1(e)(2)

<sup>5</sup> Government Code § 53758(b)

<sup>6</sup> Government Code § 53758(b)

The LATMD-funded programs are all targeted directly at and feature only assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-LATMD funds. LATMD funds shall only be spent to benefit the assessed businesses, and shall not be spent on that portion of any program which directly generates incidental room nights for non-assessed businesses.

The specific benefits provided by the LATMD will only be directly provided to the assessed businesses; they will not be directly provided to non-assessed businesses. Possible indirect benefit does not preclude the LATMD services from being considered a specific benefit. The legislature has directly indicated, in the context of tourism marketing districts, that services are not precluded from classification as a specific benefit merely because an indirect benefit to a nonpayor occurs as a consequence of providing the service and without cost to the payor.

Although the legislature does not require the cost of any incidental benefit to non-payors be separated from the assessment, out of an abundance of caution a study was conducted on benefit generated by the LATMD programs. The study is attached as Appendix 4. The study found that 24% percent of marketing programs generate incidental room night sales at non-assessed lodging businesses. Although it is not required, the portion of programs that generate this benefit will be paid for with non-assessment funds. Assessment funds will only fund that portion of the programs (76% percent) which represents a specific benefit to the assessed businesses. For example, if a program costs \$100,000 total, the LATMD will fund \$24,000 and the remaining \$76,000 will be sourced from non-assessment funds.

The amount of the assessment is no more than necessary to cover the reasonable costs of the proposed activities, and the manner in which the costs are allocated to a business owner bear a fair share or reasonable relationship to the businesses' benefits received from the proposed activities. The benefit study in Appendix 4 found that the benefits provided by the LATMD do not exceed the reasonable cost.

The programs provided with LATMD funding receive additional non-assessment funding in the form of grants, corporate sponsorships, event income, transient occupancy tax, and other funds. These funding sources shall be equal to or exceed the amount of benefit conferred to non-payors annually by the LATMD's services. These non-assessment funds will be used to pay for the benefit to non-payors provided by the proposed services, ensuring that assessments will only be used to provide benefits to assessed businesses.

### **E. Assessment**

The initial annual assessment rate is two percent (2%) of gross short-term sleeping room rental revenue on lodging businesses with fifty (50) rooms or more. During the LATMD's nine (9) year and seven (7) month term, the assessment rate may be increased by the Owners' Association to a maximum rate of three percent (3%) of gross short-term sleeping room rental revenue for assessed lodging businesses. The maximum increase or decrease in any year shall be one half of one percent (0.5%). If the assessment rate is increased, it may subsequently be decreased but shall not be decreased below a minimum of two percent (2%) of gross short-term sleeping room rental revenue. The Owners' Association's Board of Directors will annually determine whether the assessment rate should be increased or decreased. Its determination will be included in the annual report for City Council approval.

Based on the benefit received, the following stays shall not be subject to assessment:

- A stay for which it is beyond the power of the City to impose the assessment herein provided;
- A stay by any Federal or State of California officer or employee, including employees of federal credit unions, who provides proof that he or she is on Federal or State business;
- A stay by any officer or employee of a foreign government who is exempt from Transient Occupancy Taxes by express provision of federal law or international treaty;
- A stay by any person to whom rent is charged at the rate of \$2.00 per day or less;
- A stay for which rent is paid from a fund administered by the Emergency Food and Shelter National Board Program;
- Stays by airline crews; and
- Stays of more than thirty (30) consecutive days.

The assessment was calculated based on the total cost of the activities to be provided for the benefit of the lodging businesses within the LATMD, with costs allocated based on the proportional benefit conferred to each lodging business. Activities funded by the LATMD, are specifically targeted to increase room nights at assessed businesses. All room night sales do not represent the same benefit to the payors. For example, a higher priced room night is of greater benefit than a lower priced room night because the assessee derives greater revenue. To account for this benefit differential and to make sure the benefits are proportional, an assessment formula based on a percentage of revenue has been selected. The proposed formula accurately reflects greater benefit to assessed businesses with higher priced room nights.

The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the assessed lodging business. The assessment shall be disclosed as the "LATMD Assessment." As an alternative, the disclosure may include the amount of the LATMD assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and shall be disclosed as the "Tourism Assessment." The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for any purposes, including calculation of transient occupancy taxes.

Bonds shall not be issued.

#### **F. Penalties and Interest**

1. Any assessed business which fails to remit any assessment imposed within the time required shall pay a penalty of five percent (5%) of the amount of the unpaid assessment in addition to the amount of assessment.
2. Any assessed business which fails to remit any delinquent assessment on or before the last day of:
  - i. The first month in which the assessment first became delinquent, shall pay a second penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment and the five percent (5%) penalty first imposed;
  - ii. The second month in which the assessment first became delinquent, shall pay a third penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) in accumulated penalties previously imposed;

- iii. The third month in which the assessment first became delinquent, shall pay a fourth penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment and the fifteen percent (15%) in accumulated penalties previously imposed; and
  - iv. The fourth month in which the assessment first became delinquent, shall pay a fifth penalty of twenty percent (20%) of the amount of the assessment in addition to the amount of the assessment and the twenty percent (20%) in accumulated penalties previously imposed.
- 3. If the City determines that the nonpayment of any assessment due is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added, in addition to the penalties stated in sections 1 and 2 of this section.
  - 4. In addition to the penalties imposed, any assessed business which fails to pay any assessment required to be paid shall pay interest on the amount of the assessment, exclusive of any penalty, from the date on which the assessment first became delinquent until the date it is paid, during each calendar year at the rate per month, or fraction of the month, determined by dividing by 12 the sum of the average Federal short-term rate during the months of July, August and September of the previous calendar year plus three percentage points. Unless the monthly rate is evenly divisible by one-tenth of a percentage point, it shall be rounded up to the next highest one-tenth of a percentage point.
  - 5. For collection purposes only, every penalty imposed and the interest that is accrued under the provisions of this section shall become a part of the assessment required to be paid.

#### **G. Time and Manner for Collecting Assessments**

The LATMD assessment will be implemented beginning June 1, 2025 and will continue for nine (9) years and seven (7) months, through December 31, 2034. The Los Angeles City Clerk or its designee will oversee collection of the assessment on a monthly basis (including any delinquencies, penalties and interest) from each assessed lodging business located in the boundaries of the LATMD. The assessment shall be collected using a return form developed and provided to the assessed lodging business by the City. The City shall take all reasonable efforts to collect the assessments from each assessed lodging business. The City Clerk or its designee may audit the hotels. The City shall forward the assessments collected, including any delinquencies, penalties and interest, to the Owners' Association.

## **VI. GOVERNANCE**

### **A. Owners' Association**

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the LATMD as defined in Streets and Highways Code §36612.

1. A non-profit corporation will continue to serve as the Owners' Association for the LATMD.
2. The LATMD shall be managed by the non-profit corporation referenced above.
3. A minimum of one (1) Board Member will be from a mid-size lodging business with 50-75 rooms.
4. A minimum of three (3) members of the Board of Directors shall be representatives of non-lodging businesses.
5. A minimum of three (3) Board Members shall be at-large representatives.
6. The majority of the Board of Directors will be representatives of assessed lodging businesses with fifty (50) or more rooms.
7. Among the members of the LATMD Board of Directors, there shall be at least one representative of an assessed lodging business with fifty (50) or more rooms from each of the areas listed below. Each member of the Board may only represent one (1) area. The boundaries of each area include those communities listed on Appendix 3.
  - a. Downtown/Mid-City
  - b. LAX
  - c. Hollywood
  - d. San Fernando Valley
  - e. Westside
  - f. Coastal

### **B. Brown Act and California Public Records Act Compliance**

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act.

### **C. Annual Report**

The Owners' Association shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the LATMD or in any benefit zones or classification of businesses 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 business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

#### **D. Auditing**

The City of Los Angeles shall be allowed to review the financial records of the Owners' Association. A contract shall be entered into between the City and the Owners' Association. The contract will document the accounting processes including collections, allocations, and reporting required to be submitted to the City of Los Angeles. The LATMD will be responsible for any costs associated with audits.

The Owners' Association shall engage an independent certified public accountant to review financial statements to be submitted to the City Clerk.

## APPENDIX 1 – LAW

\*\*\* THIS DOCUMENT IS CURRENT THROUGH THE 2023 EXTRA SESSION CH 1, 2023 REGULAR  
SESSION CH. 890\*\*\*  
(ALL 2023 LEGISLATION)

### STREETS AND HIGHWAYS CODE DIVISION 18. PARKING PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

#### CHAPTER 1. General Provisions

#### ARTICLE 1. Declarations

##### **36600.** Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

##### **36601.** Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
  - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
  - (2) Job creation.
  - (3) Business attraction.
  - (4) Business retention.
  - (5) Economic growth.
  - (6) New investments.
- (f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.
- (g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.
- (h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.
  - (1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.
  - (2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not

assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

### **36602. Purpose of part**

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

### **36603. Preemption of authority or charter city to adopt ordinances levying assessments**

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

### **36603.5 Part prevails over conflicting provisions**

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

### **36604. Severability**

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

## **ARTICLE 2. Definitions**

### **36606. “Activities”**

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

### **36606.5. “Assessment”**

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

### **36607. “Business”**

“Business” means all types of businesses and includes financial institutions and professions.

**36608. “City”**

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

**36609. “City council”**

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

**36609.4. “Clerk”**

“Clerk” means the clerk of the legislative body.

**36609.5. “General benefit”**

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

**36610. “Improvement”**

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the district.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

**36611. “Management district plan”; “Plan”**

“Management district plan” or “plan” means a proposal as defined in Section 36622.

**36612. “Owners’ association”**

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), for all records relating to activities of the district.

**36614. “Property”**

“Property” means real property situated within a district.

**36614.5. “Property and business improvement district”; “District”**

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

**36614.6. “Property-based assessment”**

“Property-based assessment” means any assessment made pursuant to this part upon real property.

**36614.7. “Property-based district”**

“Property-based district” means any district in which a city levies a property-based assessment.

**36615. “Property owner”; “Business owner”; “Owner”**

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

**36615.5. “Special benefit” [Effective January 1, 2023]**

(a) “Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

(b) “Special benefit” also includes, for purposes of a property-based district, a particular and distinct benefit provided directly to each assessed parcel within the district. Merely because parcels throughout an assessment district share the same special benefits does not make the benefits general.

**36616. “Tenant”**

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

**ARTICLE 3 Prior Law**

**36617. Alternate method of financing certain improvements and activities; Effect on other provisions**

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

**CHAPTER 2. Establishment**

**36620. Establishment of property and business improvement district**

A property and business improvement district may be established as provided in this chapter.

**36620.5. Requirement of consent of city council**

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

### **36621. Initiation of proceedings; Petition of property or business owners in proposed district**

- (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.
- (b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:
  - (1) A map showing the boundaries of the district.
  - (2) Information specifying where the complete management district plan can be obtained.
  - (3) Information specifying that the complete management district plan shall be furnished upon request.
- (c) The resolution of intention described in subdivision (a) shall contain all of the following:
  - (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
  - (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

### **36622. Contents of management district plan**

The management district plan shall include, but is not limited to, all of the following:

- (a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.
- (b) The name of the proposed district.
- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements, maintenance, and activities proposed for each year of operation of the district and the estimated cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities

and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against their property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years.

Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k)

(1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(3) In a property-based district, properties throughout the district may share the same special benefits. In a district with boundaries that define which parcels are to receive improvements, maintenance, or activities over and above those services provided by the city, the improvements, maintenance, or activities themselves may constitute a special benefit. The city may impose assessments that are less than the proportional special benefit conferred, but shall not impose assessments that exceed the reasonable costs of the proportional special benefit conferred. Because one or more parcels pay less than the special benefit conferred does not necessarily mean that other parcels are assessed more than the reasonable cost of their special benefit.

(l) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(m) Any other item or matter required to be incorporated therein by the city council.

### **36623. Procedure to levy assessment**

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be

mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

#### **36624. Changes to proposed assessments**

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

#### **36625. Resolution of formation**

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.
- (2) The number, date of adoption, and title of the resolution of intention.
- (3) The time and place where the public hearing was held concerning the establishment of the district.
- (4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.
- (5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.
- (6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the

district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

### **36627. Notice and assessment diagram**

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

### **36628. Establishment of separate benefit zones within district; Categories of businesses**

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

### **36628.5. Assessments on businesses or property owners**

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

### **36629. Provisions and procedures applicable to benefit zones and business categories**

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

### **36630. Expiration of district; Creation of new district**

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

## **CHAPTER 3: Assessments**

### **36631. Time and manner of collection of assessments; Delinquent payments**

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

### **36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property**

- (a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.
- (b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.
- (c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

### **36633. Time for contesting validity of assessment**

The validity of an assessment levied under this part shall not be contested in an action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36625. An appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

### **36634. Service contracts authorized to establish levels of city services**

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

### **36635. Request to modify management district plan**

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

### **36636. Modification of plan by resolution after public hearing; Adoption of the resolution of intention**

- (a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:
  - (1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
  - (2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.
- (b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

### **36637. Reflection of modification in notices recorded and maps**

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

### **36638. Assessment as government improvised fee on Civ C § 1770 transaction [Operative July 1, 2024]**

- (a) A business assessment pursuant to this part is a fee imposed by a government on the transaction for purposes of paragraph (29) of subdivision (a) of Section 1770 of the Civil Code.
- (b) This section shall become operative on July 1, 2024.

## **CHAPTER 3.5 Financing**

### **36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments**

- (a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks–Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.
- (b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.
- (c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

## **CHAPTER 4. Governance**

### **36650. Report by owners' association; Approval or modification by city council**

- (a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.
- (b) The report shall be filed with the clerk and shall refer to the property and business improvement 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 information:
  - (1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.
  - (2) The improvements, maintenance, and activities to be provided for that fiscal year.
  - (3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.
  - (4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.
  - (5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
  - (6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.
- (c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

### **36651. Designation of owners' association to provide improvements, maintenance, and activities**

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

## **CHAPTER 5. Renewal**

### **36660. Renewal of district; Transfer or refund of remaining revenues; District term limit**

- (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
- (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
- (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

## **CHAPTER 6. Disestablishment**

### **36670. Circumstances permitting disestablishment of district; Procedure**

- (a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:
  - (1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.
  - (2) During the operation of the district, there shall be a 30-day period each year in which assesseses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.
- (b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

### **36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district**

- (a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by

applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

## APPENDIX 2 – ASSESSED BUSINESSES

Region	Account Name	Address 1	City	State	Zip
C	Air in Venice Hotel	5 Rose Ave	Venice	CA	90291
C	Best Western Los Angeles Worldport	1402 Pacific Coast Highway	Wilmington	CA	90744
C	Best Western Plus San Pedro Hotel & Suites	111 S. Gaffey Street	San Pedro	CA	90731
C	Crowne Plaza Los Angeles Harbor	601 S. Palos Verdes St.	San Pedro	CA	90731
C	DoubleTree by Hilton San Pedro - Port of Los Angeles	2800 Via Cabrillo Marina	San Pedro	CA	90731
C	Extended Stay America Los Angeles - South	18602 S. Vermont Ave.	Gardena	CA	90248
C	Extended Stay America Los Angeles - Torrance Harbor Gateway	19200 Harborgate Way	Torrance	CA	90501
C	Holiday Inn Los Angeles Gateway - Torrance	19800 South Vermont Ave.	Torrance	CA	90502
C	Hotel Erwin	1697 Pacific Ave.	Venice Beach	CA	90291
C	Hotel MdR - a DoubleTree by Hilton Hotel	13480 Maxella Ave.	Marina del Rey	CA	90292
C	Jolly Roger Hotel	2904 Washington Blvd.	Marina del Rey	CA	90292
C	The Kinney	737 Washington Blvd.	Marina del Rey	CA	90292
C	The Sunrise Hotel	525 S. Harbor Blvd.	San Pedro	CA	90731
C	Vagabond Inn San Pedro	215 S. Gaffey Street	San Pedro	CA	90731
D	AC Hotel Downtown Los Angeles	1260 S Figueroa Street	Los Angeles	CA	90015
D	America's Best Value Inn (Downtown East)	1123 W. 7th St.	Los Angeles	CA	90017
D	Aventura Hotel	1020 Fedora St	Los Angeles	CA	90006
D	Avenue Hotel LA	321 N. Vermont Ave	Los Angeles	CA	90004
D	Best Western Plus Dragon Gate Inn	818 N. Hill St.	Los Angeles	CA	90012
D	Best Western Plus L.A. Midtown Hotel	603 S. New Hampshire Ave.	Los Angeles	CA	90005
D	citizenM Los Angeles Downtown Hotel	361 S. Spring Street	Los Angeles	CA	90013
D	Conrad Los Angeles	100 South Grand Ave	Los Angeles	CA	90012
D	Courtyard Los Angeles L.A. Live	901 W. Olympic Blvd.	Los Angeles	CA	90015
D	DoubleTree by Hilton Hotel Los Angeles Downtown	120 S. Los Angeles St.	Los Angeles	CA	90012
D	Downtown Los Angeles Proper Hotel	1100 Broadway	Los Angeles	CA	90015
D	Dunes Inn Wilshire	4300 Wilshire Blvd.	Los Angeles	CA	90010
D	E-CENTRAL Downtown	1020 S. Figueroa Street	Los Angeles	CA	90015
D	Freehand Los Angeles	416 W. 8th Street	Los Angeles	CA	90014
D	Garden Suite Hotel & Resort	681 South Western Ave	Los Angeles	CA	90005
D	Hilton Checkers Los Angeles	535 S. Grand Ave.	Los Angeles	CA	90071
D	Holiday Inn Express-Los Angeles Downtown West	611 S. Westlake Ave.	Los Angeles	CA	90057
D	Holiday Lodge Motel	1631 W 3rd Street	Los Angeles	CA	90017
D	Hollywood Inn Express South	141 N. Alvarado St.	Los Angeles	CA	90026
D	Hotel Figueroa	939 S. Figueroa St.	Los Angeles	CA	90015
D	Hotel Indigo Los Angeles Downtown	899 Francisco St.	Los Angeles	CA	90017
D	Hotel Normandie LA	605 S. Normandie Ave.	Los Angeles	CA	90005
D	Hotel Per La	649 S Olive Street	Los Angeles	CA	90014
D	Hotel Solaire Los Angeles	1710 W. 7th Street	Los Angeles	CA	90017
D	Hyatt House Los Angeles - University Medical Center	2200 E. Trojan Way	Los Angeles	CA	90033
D	InterContinental Los Angeles Downtown	900 Wilshire Blvd	Los Angeles	CA	90017
D	JJ Grand Hotel	620 S. Harvard Blvd.	Los Angeles	CA	90005

D	JW Marriott Los Angeles L.A. LIVE	900 W. Olympic Blvd.	Los Angeles	CA	90015
D	Kawada Hotel	200 S. Hill St.	Los Angeles	CA	90012
D	Level Los Angeles - Downtown South Olive	888 S. Olive St.	Los Angeles	CA	90014
D	Metro Plaza Hotel	711 N. Main Street	Los Angeles	CA	90012
D	Miyako Hotel Los Angeles	328 E. First St.	Los Angeles	CA	90012
D	Moxy Downtown Los Angeles	1260 S Figueroa Street	Los Angeles	CA	90015
D	New Seoul Hotel	2666 W Olympic Blvd	Los Angeles	CA	90006
D	O Hotel by LuxUrban	819 S. Flower St.	Los Angeles	CA	90017
D	Omni Los Angeles Hotel	251 S. Olive St.	Los Angeles	CA	90012
D	Oxford Palace Hotel	745 S Oxford Ave	Los Angeles	CA	90005
D	Ramada Wilshire Center	3900 Wilshire Blvd	Los Angeles	CA	90010
D	Residence Inn Los Angeles L.A. Live	901 W. Olympic Blvd.	Los Angeles	CA	90015
D	Rodeway Inn Los Angeles Convention Center Hotel	1904 W. Olympic Blvd.	Los Angeles	CA	90006
D	Rotex Hotel	3411 W Olympic Blvd	Los Angeles	CA	90019
D	Royal Park Hotel	1906 W. 3rd Street	Los Angeles	CA	90057
D	Sheraton Grand Los Angeles	711 S. Hope St.	Los Angeles	CA	90017
D	Silver Lake Hotel	250 Silver Lake Blvd.	Los Angeles	CA	90004
D	Silver Lake Pool and Inn	4141 Santa Monica Boulevard	Silver Lake	CA	90026
D	Sonder The Craftsman	208 West 8th Street	Los Angeles	CA	90014
D	Sonder The Winfield	406 W 7th Street	Los Angeles	CA	90014
D	STILE Downtown Los Angeles by Kasa	929 S. Broadway	Los Angeles	CA	90015
D	Stillwell Hotel	838 Grand Avenue	Los Angeles	CA	90017
D	Super 8 Los Angeles/Alhambra	5350 S. Huntington Drive	Los Angeles	CA	90032
D	The Biltmore Los Angeles	506 S. Grand Ave.	Los Angeles	CA	90071
D	The Delphi	550 S Flower St	Los Angeles	CA	90071
D	The Hoxton Downtown LA	1060 South Broadway	Los Angeles	CA	90015
D	The Jonathan Club	545 S. Figueroa St.	Los Angeles	CA	90071
D	The LA Grand Hotel Downtown	333 S. Figueroa St.	Los Angeles	CA	90071
D	The LINE LA	3515 Wilshire Blvd.	Los Angeles	CA	90010
D	The Live Hotel	1901 W. Olympic Blvd.	Los Angeles	CA	90006
D	The Los Angeles Athletic Club	431 W. Seventh St.	Los Angeles	CA	90014
D	The Ritz-Carlton, Los Angeles	900 W. Olympic Blvd.	Los Angeles	CA	90015
D	The Wayfarer Downtown LA	813 S Flower St.	Los Angeles	CA	90017
D	The Westin Bonaventure Hotel & Suites	404 S. Figueroa St.	Los Angeles	CA	90071
D	Tuscan Garden Inn	2200 W Olympic Blvd	Los Angeles	CA	90006
D	USC Hotel	3540 S. Figueroa St.	Los Angeles	CA	90007
D	Vagabond Inn Los Angeles USC	3101 S. Figueroa St.	Los Angeles	CA	90007
H	Best Western Hollywood Plaza Inn	2011 N. Highland Ave.	Hollywood	CA	90068
H	Cara Hotel	1730 North Western Avenue	Los Angeles	CA	90027
H	Chateau Marmont	8221 W. Sunset Blvd.	West Hollywood	CA	90046
H	Dream Hollywood Hotel	6417 Selma Ave.	Los Angeles	CA	90028
H	Dunes Inn Sunset	5625 Sunset Blvd.	Los Angeles	CA	90028
H	Hampton Inn & Suites Los Angeles/Hollywood	1133 Vine St.	Los Angeles	CA	90038
H	Highland Gardens Hotel	7047 Franklin Ave	Los Angeles	CA	90028
H	Hilton Garden Inn Los Angeles/Hollywood	2005 N. Highland Ave.	Los Angeles	CA	90068
H	Hilton Los Angeles/Universal City	555 Universal Hollywood Dr.	Universal City	CA	91608
H	Hollywood Historic Hotel	5162 Melrose Ave.	Los Angeles	CA	90038
H	Hollywood Hotel-The Hotel Of Hollywood	1160 North Vermont Ave.	Los Angeles	CA	90029

H	Hollywood Travelodge	1401 N. Vermont Ave.	Hollywood	CA	90027
H	Kimpton Everly Hotel Hollywood	1800 Argyle Avenue	Los Angeles	CA	90028
H	Las Palmas Hotel	1738 N Las Palmas Ave	Los Angeles	CA	90028
H	Loews Hollywood Hotel	1755 N. Highland Ave.	Hollywood	CA	90028
H	Mama Shelter	6500 Selma Ave.	Los Angeles	CA	90028
H	Motel 6 Hollywood	1738 Whitley Ave	Los Angeles	CA	90028
H	Palihotel Hollywood	7023 W Sunset Blvd.	Los Angeles	CA	90028
H	Quality Inn Hollywood	1520 N. La Brea Ave	Los Angeles	CA	90028
H	Retan Hotel	1732 Whitley Ave	Los Angeles	CA	90028
H	Sheraton Universal	333 Universal Hollywood Dr.	Universal City	CA	91608
H	Sunset West Hotel	7212 West Sunset Blvd	Los Angeles	CA	90046
H	Super 8 Motel - Hollywood	1536 N. Western Ave.	Hollywood	CA	90027
H	The Adler a Hollywood Hotel	6141 Franklin Ave.	Hollywood	CA	90028
H	The BLVD Hotel & Suites	2010 N. Highland Ave.	Los Angeles	CA	90068
H	The Dixie Hollywood Hotel	5410 Hollywood Blvd.	Los Angeles	CA	90027
H	The Godfrey Hotel Hollywood	1400 Cahuenga Blvd	Los Angeles	CA	90028
H	The Hollywood Roosevelt	7000 Hollywood Blvd.	Hollywood	CA	90028
H	Thompson Hollywood	1541 Wilcox Avenue	Los Angeles	CA	90028
H	tommie Hollywood	6515 Selma Avenue	Los Angeles	CA	90028
H	W Hollywood Hotel & Residences	6250 Hollywood Blvd.	Hollywood	CA	90028
L	Courtyard by Marriott Los Angeles LAX/Century Boulevard	6161 W. Century Blvd.	Los Angeles	CA	90045
L	Embassy Suites Los Angeles - International Airport/North	9801 Airport Blvd.	Los Angeles	CA	90045
L	Extended Stay America -Los Angeles -LAX Airport	6531 S. Sepulveda Blvd.	Los Angeles	CA	90045
L	Four Points by Sheraton LAX	9750 Airport Blvd.	Los Angeles	CA	90045
L	H Hotel Los Angeles, Curio Collection by Hilton	6151 W. Century Boulevard	Los Angeles	CA	90045
L	Hilton Los Angeles Airport	5711 W. Century Blvd.	Los Angeles	CA	90045
L	Holiday Inn Express LAX	8620 Airport Blvd.	Los Angeles	CA	90045
L	Holiday Inn Los Angeles International Airport (LAX)	9901 S. La Cienega Blvd.	Los Angeles	CA	90045
L	Homewood Suites by Hilton Los Angeles Airport	6151 W. Century Blvd	Los Angeles	CA	90045
L	Hotel June	8639 Lincoln Blvd.	Los Angeles	CA	90045
L	Hyatt Place/ Hyatt House LAX Century Blvd	5959 W Century Blvd	Los Angeles	CA	90045
L	Hyatt Regency Los Angeles International Airport	6225 W. Century Blvd.	Los Angeles	CA	90045
L	La Quinta Inn and Suites at LAX	5249 W. Century Blvd.	Los Angeles	CA	90045
L	Los Angeles Airport Marriott	5855 W. Century Blvd.	Los Angeles	CA	90045
L	Renaissance Los Angeles Airport Hotel	9620 Airport Blvd.	Los Angeles	CA	90045
L	Residence Inn Los Angeles LAX/Century Boulevard	5933 West Century Blvd	Los Angeles	CA	90045
L	Sea Rock Inn- Los Angeles	14032 South Vermont Avenue	Los Angeles	CA	90247
L	Sheraton Gateway Los Angeles Hotel	6101 W. Century Blvd.	Los Angeles	CA	90045
L	Sonesta Los Angeles Airport LAX Hotel	5985 W. Century Blvd.	Los Angeles	CA	90045
L	The Westin Los Angeles Airport	5400 W. Century Blvd.	Los Angeles	CA	90045
L	Travelodge Hotel at LAX	5547 W. Century Boulevard	Los Angeles	CA	90045
SF	Best Western Plus Carriage Inn	5525 Sepulveda Blvd.	Sherman Oaks	CA	91411
SF	Best Western Woodland Hills Inn	21830 Ventura Blvd.	Woodland Hills	CA	91364
SF	Budget Inn of North Hills	9151 Sepulveda Blvd.	North Hills	CA	91343
SF	Comfort Inn - Eagle Rock	2300 Colorado Blvd.	Los Angeles	CA	90041

SF	Comfort Inn & Suites Near Universal - N. Hollywood - Burbank	6147 Lankershim Blvd.	North Hollywood	CA	91606
SF	Courtyard by Marriott- Woodland Hills	21101 Ventura Blvd	Woodland Hills	CA	91364
SF	Courtyard Los Angeles Sherman Oaks	15433 Ventura Blvd.	Sherman Oaks	CA	91403
SF	Econo Motor Inn of North Hills	8647 Sepulveda Blvd.	North Hills	CA	91343
SF	Good Nite Inn Sylmar	12835 Encinitas Avenue	Sylmar	CA	91342
SF	Hampton Inn & Suites Los Angeles Burbank Airport	7501 N. Glenoaks Blvd.	Burbank	CA	91504
SF	Hampton Inn & Suites Los Angeles/Sherman Oaks	5638 Sepulveda Blvd.	Sherman Oaks	CA	91411
SF	Hilton Woodland Hills	6360 Canoga Ave.	Woodland Hills	CA	91367
SF	Holiday Inn Express & Suites Woodland Hills	22617 Ventura Blvd.	Woodland Hills	CA	91364
SF	Holiday Inn Express IHG, Van Nuys	8244 Orion Ave.	Van Nuys	CA	91406
SF	Holiday Inn Express North Hollywood	11350 Burbank Blvd	North Hollywood	CA	91601
SF	Hometown Inn	9401 Sepulveda Blvd.	North Hills	CA	91343
SF	Hotel Mariposa	12828 West Riverside Drive	Los Angeles	CA	91607
SF	Howard Johnson Inn and Suites Reseda	7432 Reseda Blvd.	Reseda	CA	91335
SF	Mikado Hotel	12600 Riverside Drive	Valley Village	CA	91607
SF	Motel 6 Canoga Park	7132 De Soto Ave.	Canoga Park	CA	91303
SF	Motel 6 Los Angeles - Van Nuys/Sepulveda	15711 Roscoe Blvd.	North Hills	CA	91343
SF	Motel 6 Van Nuys	6909 Sepulveda Blvd.	Van Nuys	CA	91405
SF	Palm Tree Inn	8424 Sepulveda Blvd.	North Hills	CA	91343
SF	Paradise Lodge	20128 Roscoe Blvd.	Winnetka	CA	91306
SF	Radisson Hotel Chatsworth	9777 Topanga Canyon Blvd.	Chatsworth	CA	91311
SF	Ramada Inn Chatsworth	21340 Devonshire Street	Chatsworth	CA	91311
SF	Sonesta ES Suites Chatsworth	21902 Lassen Street	Chatsworth	CA	91311
SF	St. George Motor Inn	19454 Ventura Blvd.	Tarzana	CA	91356
SF	Star Light Inn	7435 Winnetka Ave.	Winnetka	CA	91306
SF	Studio City Court Yard Hotel	12933 Ventura Blvd.	Studio City	CA	91604
SF	Studio Lodge	11254 Vanowen	N. Hollywood	CA	91605
SF	The BLVD Hotel & Spa	10730 Ventura Blvd.	Studio City	CA	91604
SF	The Garland	4222 Vineland Ave.	N. Hollywood	CA	91602
SF	The Sherman Hotel	15485 Ventura Blvd.	Sherman Oaks	CA	91403
SF	Travel Inn	8525 Sepulveda Blvd.	North Hills	CA	91343
SF	Travelodge Chatsworth	21603 Devonshire Street	Chatsworth	CA	91311
SF	Travelodge Sylmar	14955 Roxford St.	Sylmar	CA	91342
SF	Vagabond Inn - Sylmar	12775 Encinitas Avenue	Sylmar	CA	91342
SF	Valley Inn & Conference Center	10621 Sepulveda Blvd.	Mission Hills	CA	91345
SF	Warner Center Marriott Hotel	21850 Oxnard St.	Woodland Hills	CA	91367
W	AC Hotel Beverly Hills	6399 Wilshire Blvd	Los Angeles	CA	90048
W	Best Western Royal Palace Inn & Suites	2528 S. Sepulveda Blvd.	Los Angeles	CA	90064
W	Beverly Hills Marriott	1150 S. Beverly Dr.	Los Angeles	CA	90035
W	Beverly Hills Plaza Hotel & Spa	10300 Wilshire Blvd.	Los Angeles	CA	90024
W	Beverly Laurel Motor Hotel	8018 Beverly Boulevard	Los Angeles	CA	90048
W	Burton House, A Tribute Portfolio Hotel	1177 S. Beverly Dr.	Los Angeles	CA	90035
W	Cameo Beverly Hills	1224 Beverwil Dr.	Los Angeles	CA	90035
W	Courtyard by Marriott Century City Beverly Hills	10320 W. Olympic Blvd.	Los Angeles	CA	90064
W	Fairmont Century Plaza	2025 Avenue of the Stars	Los Angeles	CA	90067

W	Four Seasons Hotel Los Angeles at Beverly Hills	300 S. Doheny Dr.	Los Angeles	CA	90048
W	Holiday Inn Express West Los Angeles	11250 Santa Monica Blvd.	Los Angeles	CA	90025
W	Hotel Angeleno	170 N. Church Lane	Los Angeles	CA	90049
W	Hotel Bel-Air, Dorchester Collection	701 Stone Canyon Rd.	Los Angeles	CA	90077
W	Kimpton Hotel Palomar Los Angeles - Beverly Hills	10740 Wilshire Blvd.	Los Angeles	CA	90024
W	Kimpton Hotel Wilshire	6317 Wilshire Blvd.	Los Angeles	CA	90048
W	Luxe Sunset Boulevard Hotel	11461 Sunset Blvd.	Los Angeles	CA	90049
W	Palihotel Westwood Village	1044 Tiverton Avenue	Los Angeles	CA	90024
W	Palihouse West Hollywood	8384 W 3rd St.	Los Angeles	CA	90048
W	Short Stories Hotel	115 S. Fairfax Ave.	Los Angeles	CA	90036
W	SLS Hotel, a Luxury Collection Hotel, Beverly Hills	465 S. La Cienega Blvd.	Los Angeles	CA	90048
W	Sofitel Los Angeles at Beverly Hills	8555 Beverly Blvd.	Los Angeles	CA	90048
W	The Olivia Hotel	10740 Santa Monica Blvd	Los Angeles	CA	90025
W	UCLA Luskin Conference Center	425 Westwood Plaza	Los Angeles	CA	90095
W	W Los Angeles—West Beverly Hills	930 Hilgard Ave.	Los Angeles	CA	90024

*\*List as of July 2024*

\*Region Key:

SF - San Fernando Valley Region

D - Downtown/LA Metro Region

H - Hollywood Region

C - Coastal Region

L - LAX Region

W - Westside Region

## APPENDIX 3 - BOUNDARIES OF AREAS FOR BOARD MEMBER SELECTION

Each area includes the communities below.

### **San Fernando Valley**

Arleta  
Canoga Park  
Chatsworth  
Encino  
Granada Hills  
Lake Balboa  
Lakeview Terrace  
Mission Hills  
North Hills  
North Hollywood  
Northridge  
Pacoima  
Panorama City  
Porter Ranch  
Reseda  
Shadow Hills  
Sherman Oaks  
Studio City  
Sun Valley  
Sunland  
Sylmar  
Tarzana  
Tujunga  
Valley Glen  
Valley Village  
Van Nuys  
West Hills  
Winnetka  
Woodland Hills

### **Hollywood**

Atwater Village  
Griffith Park  
Hollywood  
Los Feliz  
Silver Lake  
Toluca Lake

### **LAX**

Crenshaw  
Hyde Park  
Mar Vista  
Palms  
Sawtelle  
South Los Angeles  
West Adams  
Westchester/LAX

### **Coastal**

Harbor City  
Harbor Gateway  
Marina del Rey  
Pacific Palisades  
Playa Del Rey  
Playa Vista  
San Pedro  
Terminal Island  
Venice  
Wilmington

### **Westside**

Bel-Air  
Beverly Crest  
Brentwood  
Century City  
Mid-City West  
West Los Angeles  
Westwood

### **Downtown/Mid-City**

Boyle Heights  
Central City  
Central City East  
China Town  
Cypress Park  
Eagle Rock  
Echo Park  
El Sereno  
Elysian Park  
Glassell Park  
Highland Park  
Jefferson Park  
Korea Town  
Leimert Park  
Lincoln Heights  
Mid-City  
Mid-Wilshire  
Montecito Heights  
Mount Washington  
Pico-Union  
Southeast Los Angeles  
Watts  
Wilshire Center

## APPENDIX 4 – BENEFIT STUDY

