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February 24, 2021

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

Council Districts 1

REGARDING:

THE GREATER LINCOLN HEIGHTS PROPERTY BUSINESS IMPROVEMENT
DISTRICT (PROPERTY BASED) BUSINESS IMPROVEMENT DISTRICT'S 2021
FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Greater Lincoln Heights Property Business Improvement District Business Improvement District's ("District") 2021 fiscal year (CF 18-0526-S1). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, an Annual Planning Report for the District must be submitted for approval by the City Council. The Greater Lincoln Heights Property Business Improvement District Business Improvement District's Annual Planning Report for the 2021 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Greater Lincoln Heights Property Business Improvement District Business Improvement District was established on August 10, 2018 by and through the City Council's adoption of Ordinance No. 185685 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk

and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of an contributions to be made from sources other than assessments levied.

The attached Annual Planning Report, which was approved by the District's Board at their meeting on November 20, 2020, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

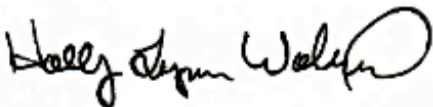
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Greater Lincoln Heights Property Business Improvement District Business Improvement District's 2021 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2021 budget concurs with the intentions of the Greater Lincoln Heights Property Business Improvement District Business Improvement District's Management District Plan and does not adversely impact the benefits received by assessed property owners.
3. ADOPT the attached Annual Planning Report for the Greater Lincoln Heights Property Business Improvement District Business Improvement District's 2021 fiscal year, pursuant to the State Law.

Sincerely,

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

Holly L. Wolcott

City Clerk

Attachment:

Greater Lincoln Heights Property Business Improvement District Business Improvement District's 2021 Fiscal Year Annual Planning Report

February 24, 2021

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

Subject: Greater Lincoln Heights Property Business Improvement District PBID 2021 Annual Planning Report

Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, the Board of Directors of the Greater Lincoln Heights Property Business Improvement District Business Improvement District has caused this Greater Lincoln Heights Property Business Improvement District Business Improvement District Annual Planning Report to be prepared at its meeting on November 20, 2020.

This report covers proposed activities of the Greater Lincoln Heights Property Business Improvement District BID from January 1, 2021 through December 31, 2021.

Sincerely,

A handwritten signature in cursive script that reads "Misty Iwatsu".

Misty Iwatsu

Lincoln Heights Benefit Association of Los Angeles

Greater Lincoln Heights Property
Business Improvement District
Business Improvement District

2021 Annual Planning Report

District Name

This report is for the Greater Lincoln Heights Property Business Improvement District (District). The District is operated by Lincoln Heights Benefit Association of Los Angeles, Inc., a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2021 Fiscal Year. The District Board of Directors approved the 2021 Annual Planning Report at the November 20, 2020 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2021.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2021.

2021 IMPROVEMENTS, ACTIVITIES AND SERVICES

Sidewalk Operations & Beautification: \$1,208,120.39 (85.65%)

Safe Program

Private security will be provided based upon the proportionate amount assessed on parcels within each benefit zone.

Clean Program

In order to consistently deal with cleaning issues, a multi-dimensional approach has been developed consisting of the following elements:

- Sidewalk Cleaning: Uniformed personnel sweep litter, debris and refuse from sidewalks, along fence lines, the public right of way, and gutters of the District. District personnel may pressure wash the sidewalks.
- Trash Collection: Collector truck personnel collect trash from sidewalk trash receptacles.
- Graffiti Removal: Painters remove graffiti by painting, using solvent and pressure washing. The District maintains a zero-tolerance graffiti policy.
- Weed Abatement: Weeds are removed as they become unsightly or as needed.
- Landscape Maintenance: Landscape maintenance is an important program that works to attract increased customers to the district. Landscape maintenance includes maintaining tree wells, planters and weed abatement.
- Parcels that are under construction and/or vacant within the BID will be monitored for maintenance and security problems.

- Paper Sign and Handbill Removal: Paper signs and handbills scotch taped or glued on public and private property are removed by hand or when necessary by high-pressure hose within the GLHPBID boundaries.
- Special Collections: Collector truck personnel are dispatched to collect large bulky items illegally dumped within the GLHPBID boundaries.
- Maintenance Problems Requiring Third Party Intervention: Blighted or unsafe conditions created within the District but that are not within the authority/jurisdiction of the GLHPBID to address will be monitored. Service requests are made to the responsible party/agency for service.

Beautification Program

Design Elements: Design, installation and maintenance of gateway signs; design, installation and maintenance of banner brackets and banner production; design and branding of logo; design, purchase, install and maintain street furniture and streetscape; purchase, installation, removal and maintenance of holiday decoration program.

Special Projects: Special projects are designed to enhance the assets and the image of the GLHPBID, for. example the Lincoln Heights Certified Farmers Market within the GLHPBID boundaries.

Right of Way Strategies: Develop strategies for economic development and possible expansion; develop plan of action for the implementation of and strategies for traffic calming and pedestrian safety related to business attraction and retention, and promotion of the area to prospective businesses; seek private and public grant funds to facilitate the work of the GLHPBID.

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Lincoln Heights Certified Farmers Market expects to receive revenue in the form of grants, SNAP benefits, Market Match and stall fees.

District Identity, Organization & Contingency: \$202,350.00 (14.35%)

District Identity, Organization & Contingency

District Identity: Advertising, Marketing and Promotions strategies such as website development and maintenance, Communications like newsletters, signage and holiday decorations will create an environment that provides a unique shopping experience for customers, tenants and employees.

Organization: A professional management staff oversees the GLHPBID services, which are delivered seven days per week. Management staff actively works on behalf of the GLHPBID to insure City and County services and policies support the District. Included in this line item are management labor, corporate operations, office expenses and organizational expenses such as insurance and the cost to conduct a yearly financial review and tax filing.

Contingency: Included in this budget item are City recovery fees, delinquencies and no pays. Delinquencies- Up to ten percent (10%) of the budget is held in reserve to offset delinquent and/or slow payment from both public and private properties. City Fees- Assessments are budgeted in order to fund the expenses charged by the City of Los Angeles and County of Los Angeles for collection and distribution of GLHPBID revenue. These reserves may be carried forward from year to year for a specific purpose or shall be reallocated to the designated budgetary categories found within the MDP.

Total Estimate of Cost for 2021

A breakdown of the total estimated 2021 budget is attached to this report as **Appendix A.**

Method and Basis of Levying the Assessment

The Method and Basis for levying the 2021 assessment remains the same as listed in the Management District Plan. Annual assessments are based upon an allocation of program costs and a calculation of assessable linear street frontage, lot square footage, building square footage & assessable single-family residential building square footage with differing rates for each zone according to frequency and type of service and benefit received.

Zone 1

Frontage \$9.4500

Lot \$0.1050

Bldg. \$0.0525

Zone 2

Frontage \$9.4500

Lot \$0.0945

Bldg. \$0.0315

(There is No CPI increase for 2021)

Surplus Revenues: \$0.00

There are no surplus revenues that will be carried over to 2021.

Anticipated Deficit Revenues

2020- Deficit (\$430,879.01) due to COVID-19 and Civil unrest (Starting March 2020 increased District security from one 16 hrs/7day vehicle patrol & 8 hr foot beat to two-24hr/7day vehicle patrols to maintain coverage and safe COVID-19 working conditions. Lincoln Heights has reported some of the highest COVID-19 cases in Los Angeles County.

As a result maintenance increased from supervisor & 3 sweepers with 8 hours of pressure washing to a supervisor, assistant, 4 sweepers and 32 hrs of pressure washing to keep the district and the essential service of the Lincoln Heights Farmers Market, which did not close down during the pandemic and needed additional cleaning, sanitizing and disinfecting). \$241,623.26 to still be received by the City of L.A. pending approval of required reports. (\$189,255.75 will be the deficit after 2020 assessments received). This was offset by Farmers Market revenue, Grants and income from other sources. There will be no impact to the 2021 services.

Contribution from Sources other than assessments: \$756,169.70

Farmers Market, Grants for street furniture, General Benefit and interest income received. Expenditures for Zone 1 and Zone 2 will be for Street furniture and other sidewalk amenities.

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Greater Lincoln Heights Property Business Improvement District BID- FY 2021

	Benefit Zone 1	Benefit Zone 2	Total	
2021 Assessments	\$333,693.35	\$320,607.34	\$654,300.69	
Estimated Carryover from 2020	\$0.00	\$0.00	\$0.00	
Other Income	\$385,646.55	\$370,523.15	\$756,169.70	
Total Estimated Revenues	\$719,339.90	\$691,130.49	\$1,410,470.39	
2021 Estimated Expenditures				Pct.
Sidewalk Operations & Beautification	\$616,141.40	\$591,978.99	\$1,208,120.39	85.65%
District Identity, Organization & Contingency	\$103,198.50	\$99,151.50	\$202,350.00	14.35%
Total Estimated Expenditures	\$719,339.90	\$691,130.49	\$1,410,470.39	100%