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March 8, 2021

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

Council Districts 1

REGARDING:

**THE HIGHLAND PARK 2020-2024 (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 Highland Park 2020-2024 Business Improvement District's ("District") 2021 fiscal year (CF 09-2013). 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 Highland Park 2020-2024 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 Highland Park 2020-2024 Business Improvement District was established on July 6, 2019 by and through the City Council's adoption of Ordinance No. 186225 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 17, 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

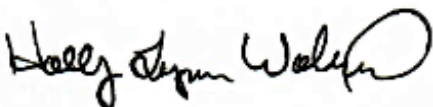
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Highland Park 2020-2024 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 Highland Park 2020-2024 Business Improvement District's Management District Plan and does not adversely impact the benefits received by assessed property owners.
3. ADOPT the attached Annual Planning Report for the Highland Park 2020-2024 Business Improvement District's 2021 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott
City Clerk

Attachment:

Highland Park 2020-2024 Business Improvement District's 2021 Fiscal Year Annual Planning Report

March 8, 2021

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

Subject: Highland Park 2020-2024 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 Highland Park 2020-2024 Business Improvement District has caused this Highland Park 2020-2024 Business Improvement District Annual Planning Report to be prepared at its meeting on November 17, 2020.

This report covers proposed activities of the Highland Park 2020-2024 BID from January 1, 2021 through December 31, 2021.

Sincerely,

Misty Iwatsu

Misty Iwatsu

North Figueroa Association

Highland Park 2020-2024 Business Improvement District

2021 Annual Planning Report

District Name

This report is for the Highland Park Property Business Improvement District (District). The District is operated by the North Figueroa Association, 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 17, 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: \$578,000.00 (80.23%)

Safe Program

Private security will be provided based upon the proportionate amount assessed on parcels within each benefit zone. Examples of these special benefit services include but are not limited to regular security patrols on foot, etc. These services are over and above those services currently provided by the Los Angeles Police Department.

Clean Program

Cleaning services, such as trash pickup and removal from the district; landscape services; and equipment expenses are included in this program. Clean services will be provided to assessed parcels within District boundaries. 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 tags by painting, using solvent and pressure washing. The District maintains a zero-tolerance graffiti tag 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. For example, a broken security fence allowing access to the site would be reported to the property owner.
- Paper Sign and Handbill Removal: Paper signs and handbills scotch taped or glued on public and private property are removed by hand within the BID boundaries.
- Special Collections: Collector truck personnel are dispatched to collect large bulky items illegally dumped within the BID 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 BID to address will be monitored. Service requests are made to the responsible party/agency for service. Types of conditions include blocked or damaged sewers or drains, damaged sidewalks/streets/alleys, non-operating streetlights, damaged or missing street signs, etc., within the HPPBID boundaries.

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During the coronavirus pandemic, it is expected to continue 24/7 security patrol. Extra funds will be used from non assessed revenue to cover the shortfall.

District Identification, Organization, Contingency?Reserve: \$142,440.69 (19.77%)

- District Identity & Communications- Advertising, Marketing and Promotions strategies such as website maintenance and maintenance, Communications like newsletters, signage, holiday decorations, phones, fax, internet and email & social media marketing will create an environment that provides a unique shopping experience for customers, tenants and employees.
- Organization- A professional management staff oversees the HPPBID services, which are delivered seven days per week. Management staff actively works on behalf of the HPPBID 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. A well-managed District provides necessary HPPBID program oversight and guidance that produces higher quality and more efficient programs.
- Contingency/Reserve/City Costs- Included in this budget item are City fees, delinquencies, no pays included are cots to renew the BID. 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 HPPBID 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.

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During the coronavirus pandemic, it is expected to continue extra maintenance costs. Extra funds will be used from non assessed revenue to cover the shortfall.

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

Annual assessments are based upon an allocation of program costs and a calculation of assessable square footage. Assessments are determined by lot square footage, building square footage and linear frontage. The assessment rates for 2021 are as follows:

Lot: \$0.0137 per square foot
Building: \$0.220 per square foot
Frontage: \$11.95 per linear foot

(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 of (\$58,750) due to COVID-19 and Civil unrest. Starting March to December 2020: -Increased District Security from 16 hr/7 day patrol car to 24 hr/7 day patrol car to maintain coverage and COVID-19 safe working conditions.
-Increased District Maintenance from a supervisor and 2 sweepers to a supervisor and 3 sweepers to keep the district and the Old LA Certified Farmers Market (which did not close down during the pandemic) additionally cleaned, sanitized and disinfected, due to Highland Park reported some of the highest COVID-19 cases in Los Angeles County.
\$5,566.83 to still be received by the City of L.A. pending approval of required reports.

(14,454.96) will be the deficit after the 2020 assessments are received.
This is offset by the Farmers Market revenue, grants and income from other sources. There will be no impact on the 2021 services.

Contribution from Sources other than assessments: \$121,312.98

Old LA Certified Farmers Market revenue, Grants, general benefit and interest income

received.

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Highland Park 2020-2024 BID- FY 2021

2021 Assessments	\$599,613.00	
Estimated Carryover from 2020	\$0.00	
Other Income	\$120,827.69	
Total Estimated Revenues	\$720,440.69	
2021 Estimated Expenditures		Pct.
Sidewalk Operations & Beautification	\$578,000.00	80.23%
District Identification, Organization, Contingency?Reserve	\$142,440.69	19.77%
Total Estimated Expenditures	\$720,440.69	100%