

LARCHMONT VILLAGE PBID – MANAGEMENT DISTRICT PLAN

**LARCHMONT VILLAGE
PROPERTY BUSINESS IMPROVEMENT DISTRICT
RENEWAL**

MANAGEMENT DISTRICT PLAN

Established in 1997 for a 5-Year period, renewed for 10 years in 2002 and 2012, now being renewed for 10 years

Pursuant to California Streets and Highways Code Section 36600 et seq.

Property & Business Improvement District Act of 1994, as amended

SEPTEMBER 9, 2021

FINAL

MANAGEMENT DISTRICT PLAN

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MANAGEMENT DISTRICT PLAN SUMMARY

The Larchmont Village PBID (LVPBID) is a Property and Business Improvement District being renewed for a 10-year period by a consortium of property and business owners within the North Larchmont Boulevard commercial corridor known as Larchmont Village. The LVPBID was established in 1997 for a 5 year period. It was then renewed twice for 10 year periods in 2002 and 2012. The LVPBID includes a unique mix of retail, restaurant, banking, service and office uses centered along Larchmont Boulevard between Beverly Boulevard and 1st Street. The purpose of the renewed LVPBID is to continue to fund, provide and manage activities for this important business center, including streetscape services, marketing-promotions and administration. The LVPBID will enable the LVPBID property owners, working as a unit, to continue needed property and business-related programs above what is provided by tax supported City of Los Angeles base level services.

Name: The name of the proposed BID is the Larchmont Village Property Business Improvement District (LVPBID)

Location: The proposed renewed LVPBID is centered along North Larchmont Boulevard between Beverly Boulevard on the north and 1st Street on the south. (A map showing the LVPBID boundaries is shown in Appendix 2 attached to this Plan).

Zones: There is one benefit zone within the proposed renewed LVPBID.

Services: Streetscape Services, Marketing-Promotions and Administration.

Finance: Benefit assessment of real property (25 parcels). No bonds shall be issued to fund LVPBID programs.

Budget: LVPBID assessment revenue for Year 1 (2023) is projected to be \$165,000. It is noted that the Assessment Engineer has determined that general benefits equate to 3.5% of the total benefit value of \$170,984 or \$5,984. (See attached Engineer’s Report for more details on special and general benefits). Program costs associated with general benefits shall be derived from non-assessment revenue sources.

Year 1 – 2023 PROPOSED BUDGET (ASSESSMENT REVENUES/SPECIAL BENEFITS)

STREETSCAPE SERVICES	MARKETING - PROMOTIONS	ADMINISTRATION	TOTAL
51.4303%	15.1515%	33.4182%	100%
\$84,860	\$25,000	\$55,140	\$165,000

Benefits: General Benefit is defined as: A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied. Special Benefit as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the LVPBID or to the public at large.

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Formula: The proposed renewed LVPBID assessments are based on a single factor: street frontage in linear feet (Larchmont Boulevard). The Year 1 – 2023 LVPBID assessment rate per parcel is as follows:

YEAR 1 –2022 Assessment Rate

STREET FRONTAGE ASSMT RATE (\$/LINEAR FEET)
\$75.76175

Cap: Assessment increases are capped at a maximum of 3% per year, subject to approval by the LVPBID Property Owner Association Board of Directors.

Formation: LVPBID formation is a two-step process. First, petitions signed by LVPBID property owners representing at least 50% of the total assessment to be levied must be secured. Second, property owners will be sent a ballot to vote on the LVPBID formation. Returned ballots in support of the LVPBID formation must outweigh those in opposition based on the cumulative amount of assessment to be levied on parcels included on each returned ballot.

Duration: The proposed renewed LVPBID will have a term of ten (10) years. After ten years, the petition and balloting process must be repeated in order to renew the LVPBID and levy assessments again at that time. Future renewals may extend up to 10 years at a time.

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II. LVPBID BOUNDARIES

Setting

The proposed renewed Larchmont Village PBID (LVPBID) includes 25 commercially zoned properties along Larchmont Boulevard within the heart of historic Larchmont Village. The LVPBID is surrounded by the Hancock Park residential neighborhood and is bounded on the north by Beverly Boulevard and on the south by First Street and lies between the two alleys lying parallel to North Larchmont Boulevard on the east and west. The LVPBID was established in 1997 for a 5 year period. It was then renewed twice for 10 year periods in 2002 and 2012. It is now proposed to be renewed again for a 10 year term.

The property uses within the boundaries of the proposed renewed LVPBID that will receive special benefits from LVPBID funded programs and services are a unique mix of retail, restaurant, banking, service and office. As with most traditional business centers, the LVPBID has a high need for supplemental business-related services such as streetscape services, marketing-promotions and program administration. Specifically, this includes streetscape cleaning, litter pickup, trash bin cleaning, marketing and promotions, physical amenities and related administration and operations. These additional services and programs can continue to be provided cost-effectively and consistently for the special benefit of LVPBID properties and businesses through the renewal of the LVPBID.

Boundary Description

Beginning at the intersection of the centerlines of Larchmont Boulevard and Beverly Boulevard; thence east along said centerline of Beverly Boulevard to the prolongation of the centerline of that alley lying east of and parallel to Larchmont Boulevard; thence south along said alley centerline to the centerline of 1st Street; thence west along said centerline of 1st Street to the prolongation of the centerline of that alley lying west of and parallel to Larchmont Boulevard; thence north along said ally centerline to the centerline of Beverly Boulevard; thence east along said centerline of Beverly Boulevard to the point of beginning.

All parcels within the above-described boundaries shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in this Plan and the attached Engineer's Report. All LVPBID funded services, programs and improvements provided within the above described boundaries shall confer special benefit to identified assessed parcels inside the LVPBID boundaries and none will be provided outside of the LVPBID. Each assessed parcel within the LVPBID will proportionately specially benefit from the LVPBID funded programs and services (i.e. streetscape services, marketing-promotions, and administration). These services, programs and improvements are intended to improve commerce, employment, rents and occupancy rates of individually assessed parcels within the LVPBID. The LVPBID confers special benefits on each and every individually assessed parcel by reducing litter, improving streetscape aesthetics and marketing goods and services available from assessed parcels and the businesses on them within the LVPBID. All LVPBID funded services programs and improvements are supplemental, above normal base level services provided by the City of Los Angeles and are only provided for the special benefit of assessed parcels within the boundaries of the proposed renewed LVPBID.

The LVPBID includes 25 parcels, all of which are identified by the Assessment Engineer as assessable within one Benefit Zone and which are listed in the Assessment Roll included as Appendix 1. The LVPBID Boundary Map is included as Appendix 2.

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Benefit Zones

There is one benefit zone within the proposed renewed LVPBID.

Boundary Rationale

The area north of the proposed renewed LVPBID along North Larchmont Boulevard is commercial zoning and uses while all areas east, west and south of the LVPBID are residential zoning with residential uses. State PBID Law (Section 36632 Streets and Highways Code) states: Properties zoned solely for residential use...are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessments pursuant to this part. It is noted that no parcels within the proposed LVPBID are zoned solely residential.

Northern Boundary

The northern LVPBID boundary is defined by Beverly Boulevard. While the area north of Beverly Boulevard is zoned commercial with commercial uses, the land uses and development patterns are generally less intense service and office oriented businesses than south of Beverly Boulevard which is primarily retail and restaurant businesses and, in turn, the program and service needs are different.

In order to ensure that parcels north of the northern boundary will not specially benefit from LVPBID funded programs, services and improvements, no LVPBID programs, services and improvements will be provided north of the northern boundary, only south of the northern boundary within the LVPBID boundaries.

Southern Boundary

The southern LVPBID boundary is defined by 1st Street. The area south of 1st Street is exclusively zoned residential and developed with single family residential neighborhoods. Pursuant to State Law, parcels zoned solely residential are conclusively presumed not to benefit from the improvements and service funded through these assessments. For this reason, the southern boundary stops at 1st Street.

In order to ensure that parcels south of the southern boundary will not specially benefit from LVPBID funded programs, services and improvements, no LVPBID programs, services and improvements will be provided south of the southern boundary, only north of the southern boundary within the LVPBID boundaries.

Western Boundary

The western LVPBID boundary is defined by the north/south alley running between Beverly Boulevard and 1st Street. The parcels to the west of western LVPBID boundary are exclusively zoned residential and developed with single family residential neighborhoods. Pursuant to State Law, parcels zoned solely residential are conclusively presumed not to benefit from the improvements and service funded through these assessments. For this reason, the western boundary stops at the alley centerline west of Larchmont Blvd.

In order to ensure that parcels west of the western boundary will not specially benefit from LVPBID funded programs, services and improvements, no LVPBID programs, services and improvements will be provided west of the western LVPBID boundary only east of the western LVPBID boundary.

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Eastern Boundary

The eastern PBID boundary is defined by the west property lines of the adjacent properties outside of the District to the east. The parcels to the east of the eastern PBID boundary are exclusively zoned residential and developed with single family residential neighborhoods. Pursuant to State Law, parcels zoned solely residential are conclusively presumed not to benefit from the improvements and service funded through these assessments. For this reason, the eastern boundary stops at the alley centerline east of Larchmont Blvd.

In order to ensure that parcels east of the eastern boundary will not specially benefit from LVPBID funded programs, services and improvements, no LVPBID programs, services and improvements will be provided east of the eastern LVPBID boundary, only west of the eastern LVPBID boundary.

A list of all parcels included in the proposed LVPBID is shown as Appendix 1, attached to this Plan identified by their respective Los Angeles County assessor parcel number. The boundary of the proposed LVPBID is shown on the map of the proposed LVPBID attached as Appendix 2 to this Plan.

III. Proposed 10-Year LVPBID Work Plan and Budget

Overview

The Programs and activities to be funded by the LVPBID include streetscape services, marketing-promotions and administration. The property uses within the boundaries of the LVPBID that will receive special benefits from LVPBID funded programs, services and improvements are currently a unique mix of retail, restaurant, service, banking and office. LVPBID funded activities are primarily designed to provide special benefits as described below to identified assessed parcels and array of land uses within the boundaries of the LVPBID.

These special benefits are particular and distinct to each and every identified assessed parcel within the LVPBID and are not provided to non-assessed parcels outside of the LVPBID. These programs, services and improvements will only be provided to each individual assessed parcel within the LVPBID boundaries and, in turn, confer proportionate special benefits to each assessed parcel.

In the case of the LVPBID, the very nature of the purpose of this LVPBID is to fund supplemental programs, services and improvements to assessed parcels within the LVPBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The City of Los Angeles does not provide these supplemental programs and services. All benefits derived from the assessments to be levied on assessed parcels within the LVPBID are for services, programs and improvements directly benefiting each individual assessed parcel within the LVPBID. No LVPBID funded services, activities or programs will be provided outside of the LVPBID boundaries.

The projected program special benefit cost allocation of the LVPBID assessment revenues for the 10-year LVPBID term assuming a 3% maximum annual assessment rate increase is shown in the Table on page 10 of this Plan.

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WORK PLAN DETAILS

The programs, activities and improvements to be provided by the LVPBID include streetscape services, marketing-promotions and administration. Each of these are designed to contribute to the cohesive commercial fabric and to ensure economic success and vitality of the LVPBID. The assessed parcels in the LVPBID will specially benefit from the LVPBID programs in the form of increasing commerce and improving economic success and vitality through meeting the LVPBID Goals: to maintain and improve the commercial core by providing services to increase commerce, to increase building occupancy and lease rates and to attract more customers and pedestrians.

The following programs, services and improvements are proposed by the LVPBID to specially benefit each and every individually assessed parcel within the LVPBID boundaries. LVPBID services, programs and improvements will not be provided to parcels outside the LVPBID boundary.

1) Streetscape Services \$87,937 (Special + General Benefits) 51.4303%

Streetscape Services includes various supplemental streetscape services performed by subcontract vendors within the streetscape areas within the LVPBID. Included are regular disposal of trash in streetscape bins; streetscape porter services to pick up litter and debris and remove clutter from street furniture, trees and poles; twice monthly pressure washing of trash bin lids and streetscape areas; and, remove or cause to be removed graffiti, on an as needed basis. It is noted that any public pavement repairs needed within the District are not the responsibility of the LVPBID. The following describes the projected frequencies of regular streetscape services:

1. One time per week all streetscape areas, landscape wells and planters will be cleaned of all trash and debris.
2. One time per week a street sweeper will sweep the streetscape areas. This will be performed between 5 a.m. and 8 a.m.
3. Daily each morning, trash liners will be emptied and bags replaced; all lids will be wiped off. Also at this time the area around the receptacles will be cleaned of all trash and debris.
4. Two times per month pressure washing of all streetscape areas and trash bin lids.

Streetscape Services also includes physical improvements and enhancements such as streetlamp seasonal banners and holiday decorations and lighting storage and installation.

Streetscape Services will assist in enhancing the image of each individual assessed parcel in the LVPBID. Streetscape Services are designed to increase vehicular and pedestrian traffic within the LVPBID that is intended to increase commerce and customer activity, attract and retain new business and patrons for assessed parcels within the LVPBID boundaries, increase rents and occupancies as well as maintain or increase the consumer and visitor base. Each assessed parcel will proportionally specially benefit from Streetscape Services.

The goal of Streetscape Services is to establish and maintain a clean, beautiful and friendly LVPBID by providing these services and improvements to all the individually assessed parcels in the LVPBID.

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Streetscape Services will be provided only within the proposed renewed LVPBID boundaries and for the special benefit of identified and assessed parcels within the proposed renewed LVPBID. No Streetscape Services are provided outside of the LVPBID boundaries.

2) Marketing-Promotions \$25,907 (Special + General Benefits) 15.1515%

Marketing-Promotions includes business marketing, media relations, community relations, event planning, public relations, economic development and retail recruitment, social media. Funds will also be used for district branding opportunities, promotional materials, including business directories, specialty brochures, social media marketing, maps, visitors' guides and press releases; upkeep and development of the LVPBID website; and similar projects. Marketing-Promotions will cultivate media exposure and the promotion/branding of the LVPBID as a great place to shop, work and visit.

Marketing-Promotions is designed to specially benefit and improve the marketability of the array of goods and services provided by businesses on each identified and assessed parcel within the LVPBID. Marketing-Promotions is intended to attract more commercial customers and clients, employees, tenants and investors which, in turn, is intended to increase business volumes, sales transactions, commercial occupancies and commercial rental income for each parcel within the LVPBID. Marketing-Promotions will only be provided for parcels and businesses located within the LVPBID boundaries. No Marketing-Promotions services will be provided for parcels or businesses outside of the LVPBID boundary.

3) Administration \$57,140 (Special + General Benefits) 33.4182%

Administration includes the cost of personnel to oversee implementation of the various programs, services and improvement projects delineated in this Plan during the LVPBID's 10-year term. This element also includes oversight of the Owners' Association's compliance with the terms of its contract with the City, including Brown Act compliance and requests. Administration includes accounting/bookkeeping fees and Directors & Officers and General Liability insurance. Management staff expenses are allocated according to generally accepted accounting job costing procedures and are allocated to the specific areas in which staff works.

Administration also includes the costs associated with operating a successful and professional LVPBID such as legal services, printing, postage, supplies, production of the Annual Planning Report and Budget and quarterly reports. It also includes projected contingency costs such as delinquent assessments, unforeseen expenses and the costs associated with LVPBID renewal, as well as City and/or County fees associated with their oversight of the LVPBID.

Administration is key to the proper expenditure of LVPBID assessment funds and the administration of LVPBID programs and activities that are intended to provide consistent and effective services for the appeal of assessed properties within the LVPBID which, in turn, are intended to increase business volumes and commercial occupancies and rental income for each parcel within the LVPBID.

In summary, all LVPBID funded services, programs and improvements described above confer special benefits to identified assessed parcels inside the LVPBID boundaries and none will be provided outside of the LVPBID. Each assessed parcel within the LVPBID will proportionately specially benefit from the Streetscape Services, Marketing-Promotions and Administration. These services, programs and

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improvements are intended to improve commerce, employment, rents and occupancy rates of assessed parcels within the LVPBID by reducing litter, maintaining landscaping and physical improvements and professionally marketing goods, services and spaces available within the LVPBID. All LVPBID funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Los Angeles and are only provided for the special benefit of each and every assessed parcel within the boundaries of the proposed LVPBID.

WORK PLAN BUDGET

Each identified assessed parcel within the LVPBID will be assessed for the proportionate special benefit conferred upon it. The projected LVPBID program special benefit (assessment) cost allocation budget for Year 1 (2023) is shown in the following Table:

LVPBID Year 1 (2023) Special Benefit Assessment Budget

STREETSCAPE SERVICES	MARKETING - PROMOTIONS	ADMINISTRATION	TOTAL
51.4303%	15.1515%	33.4182%	100%
\$84,860	\$25,000	\$55,140	\$165,000

In order to carry out the LVPBID programs outlined in the previous section, a Year 1 assessment budget of \$165,000 is projected. Since the LVPBID is planned for a 10-year term, projected program costs for future years (Years 2-10) are set at the inception of the LVPBID. While future inflationary and other program cost increases are unknown at this point, a maximum annual increase of 3%, commensurate to special benefits received by each assessed parcel, is incorporated into the projected program costs and assessment rates for the 10-year LVPBID term.

LVPBID funds may be used for renewal of the LVPBID. Funds remaining after Year 10 of the proposed renewed LVPBID shall be rolled over into the new LVPBID in accordance with City policy if renewed again or, if not renewed, unexpended/unencumbered funds shall be returned to the property owners in accordance with City policy and State PBID Law (Streets and Highways Code section 36671).

Detailed annual budgets will be prepared by the Owner’s Association Board and included in an Annual Planning Report for the City Council’s review and approval.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year during the 10-year term of the proposed renewed LVPBID. Accordingly, the Owners’ Association shall have the ability to reallocate up to 10% of any budget line item, within the budget categories, based on such cost fluctuations subject to the review and approval by the Owners’ Association Board and in accordance with City policy. Such reallocation will be included in the Annual Planning Report for the approval by the Los Angeles City Council pursuant to the Streets and Highways Code Section 36650. Any accrued interest or delinquent payments will be expended within the budget categories in accordance with City policy.

A 10-year projected LVPBID budget is shown in the following Table:

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YEAR 1-10 PROJECTED DISTRICT ASSESSMENT BUDGET SUMMARY (Special Benefits)

(Assumes 3% max rate increase per year)

YEAR	STREETSCAPE SERVICES	MARKETING - PROMOTIONS	ADMINISTRATION	TOTAL
%	51.4303%	15.1515%	33.4182%	100.0000%
YEAR 1-2023	\$84,860	\$25,000	\$55,140	\$165,000
YEAR 2-2024	\$87,406	\$25,750	\$56,794	\$169,950
YEAR 3-2025	\$90,028	\$26,523	\$58,498	\$175,049
YEAR 4-2026	\$92,729	\$27,319	\$60,253	\$180,301
YEAR 5-2027	\$95,511	\$28,139	\$62,061	\$185,711
YEAR 6-2028	\$98,376	\$28,983	\$63,923	\$191,282
YEAR 7-2029	\$101,327	\$29,852	\$65,841	\$197,020
YEAR 8-2030	\$104,367	\$30,748	\$67,816	\$202,931
YEAR 9-2031	\$107,498	\$31,670	\$69,850	\$209,018
YEAR 10-2032	\$110,723	\$32,620	\$71,946	\$215,289

The LVPBID assessments may increase for each individual parcel each year during the 10-year effective operating period, but not to exceed 3% per year, commensurate to special benefits received by each assessed parcel, and must be approved by the Owners’ Association Board of Directors, included in the Annual Planning Report and adopted by the City of Los Angeles City Council. Any accrued interest and delinquent payments will be expended within the budgeted categories in accordance with City policy. The Owners’ Association Board of Directors (Property Owner’s Association of the LVPBID) shall determine the percentage increase to the annual assessment and the methodology employed to determine the amount of the increase. The Owners’ Association Executive Director shall communicate the annual increase to the City each year in which the LVPBID operates at a time determined in the Administration Contract held between the Owners’ Association and the City of Los Angeles. No bonds are to be issued in conjunction with the proposed renewed LVPBID.

Pursuant to Section 36671 of the Streets and Highways Code, any funds remaining after the 10th year of operation will be rolled over into the renewal budget or returned to stakeholders in accordance with City policy. LVPBID assessment funds may be used to pay for costs related to the following LVPBID renewal term. If the LVPBID is not renewed or terminated for any reason, unexpended funds will be returned to the property owners in accordance with City policy.

Special/General Benefits

The Assessment Engineer (see attached Engineer’s Report) has found that the general benefits (i.e. general benefits to assessed parcels within the LVPBID, the general public and surrounding parcels outside the

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LVPBID) of the proposed programs, services and improvements (i.e. streetscape services, marketing-promotions and administration) represent 3.5% of the total benefits generated and, in turn 3.5% (\$5,984) of the total cost of the LVPBID funded improvements, activities and services provided.

Total Year 1 adjusted costs are estimated at \$170,984. General benefits are factored at 3.5% of the total costs (see Finding 2 beginning on page 5 of the attached Engineer’s Report) with special benefits set at 96.5%. Article XIID Section 4(b) of the California Constitution limits the levy of property assessments to costs attributed to special benefits only. The 3.5% general benefit value is computed to be \$5,984 with a resultant 96.5% special benefit limit computed at \$165,000. *Based on current property data and land uses, this is the maximum amount of Year 1 (2023) revenue that can be derived from property assessments from the LVPBID.* Remaining costs that are attributed to general benefits, will need to be derived from other sources.

A breakdown of projected special and general benefits for each year of the 10-year renewal term is shown in the following Table:

10 -Year Special + General Benefits
(Assumes max of 3% Annual Rate Increase)

YR		PROGRAM CATEGORY	SPECIAL BENEFITS	GENERAL BENEFITS	TOTAL BENEFITS	% OF TOTAL
1	2022	STREETSCAPE SERVICES	\$84,860	\$3,077	\$87,937	51.4303%
		MARKETING-PROMOTIONS	\$25,000	\$907	\$25,907	15.1515%
		ADMINISTRATION	\$55,140	\$2,000	\$57,140	33.4182%
		TOTAL	\$165,000	\$5,984	\$170,984	100.00%
2	2023	STREETSCAPE SERVICES	\$87,406	\$3,169	\$90,575	51.4303%
		MARKETING-PROMOTIONS	\$25,750	\$934	\$26,684	15.1515%
		ADMINISTRATION	\$56,794	\$2,060	\$58,854	33.4182%
		TOTAL	\$169,950	\$6,163	\$176,113	100.00%
3	2024	STREETSCAPE SERVICES	\$90,028	\$3,264	\$93,292	51.4303%
		MARKETING-PROMOTIONS	\$26,523	\$962	\$27,485	15.1515%
		ADMINISTRATION	\$58,498	\$2,122	\$60,620	33.4182%
		TOTAL	\$175,049	\$6,348	\$181,397	100.00%
4	2025	STREETSCAPE SERVICES	\$92,729	\$3,362	\$96,091	51.4303%
		MARKETING-PROMOTIONS	\$27,319	\$991	\$28,310	15.1515%
		ADMINISTRATION	\$60,253	\$2,186	\$62,439	33.4182%
		TOTAL	\$180,301	\$6,539	\$186,840	100.00%
5	2026	STREETSCAPE SERVICES	\$95,511	\$3,463	\$98,974	51.4303%
		MARKETING-PROMOTIONS	\$28,139	\$1,021	\$29,160	15.1515%
		ADMINISTRATION	\$62,061	\$2,252	\$64,313	33.4182%

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		TOTAL	\$185,711	\$6,736	\$192,447	100.00%
6	2027	STREETSCAPE SERVICES	\$98,376	\$3,567	\$101,943	51.4303%
		MARKETING-PROMOTIONS	\$28,983	\$1,052	\$30,035	15.1515%
		ADMINISTRATION	\$63,923	\$2,320	\$66,243	33.4182%
		TOTAL	\$191,282	\$6,939	\$198,221	100.00%
7	2028	STREETSCAPE SERVICES	\$101,327	\$3,674	\$105,001	51.4303%
		MARKETING-PROMOTIONS	\$29,852	\$1,084	\$30,936	15.1515%
		ADMINISTRATION	\$65,841	\$2,390	\$68,231	33.4182%
		TOTAL	\$197,020	\$7,148	\$204,168	100.00%
8	2029	STREETSCAPE SERVICES	\$104,367	\$3,784	\$108,151	51.4303%
		MARKETING-PROMOTIONS	\$30,748	\$1,117	\$31,865	15.1515%
		ADMINISTRATION	\$67,816	\$2,462	\$70,278	33.4182%
		TOTAL	\$202,931	\$7,363	\$210,294	100.00%
9	2030	STREETSCAPE SERVICES	\$107,498	\$3,898	\$111,396	51.4303%
		MARKETING-PROMOTIONS	\$31,670	\$1,151	\$32,821	15.1515%
		ADMINISTRATION	\$69,850	\$2,536	\$72,386	33.4182%
		TOTAL	\$209,018	\$7,585	\$216,603	100.00%
10	2031	STREETSCAPE SERVICES	\$110,723	\$4,015	\$114,738	51.4303%
		MARKETING-PROMOTIONS	\$32,620	\$1,186	\$33,806	15.1515%
		ADMINISTRATION	\$71,946	\$2,612	\$74,558	33.4182%
		TOTAL	\$215,289	\$7,813	\$223,102	100.00%

If the LVPBID is not renewed at the end of its 10-year term, any unexpended/unencumbered LVPBID funds remaining would be returned to LVPBID property owners in accordance with City policy and State PBID Law.

Duration

As allowed by State PBID Law, the LVPBID will have a ten (10) year operational term from January 1, 2023 to December 31, 2032. The proposed renewed LVPBID operation is expected to begin services on January 1, 2023. If the LVPBID is not renewed at the end of the proposed 10-year term, services will end on December 31, 2032.

Time and Manner of Collecting Assessments

Assessments shall be collected at the same time and in the same manner as ad valorem taxes paid to the County of Los Angeles (Operation Years 2023-2032). The LVPBID assessments shall appear as a separate line item on the property tax bills issued by the Los Angeles County Assessor. The City of Los Angeles is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid

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delinquent assessments, or penalties on the County tax rolls as appropriate to implement this Management District Plan.

IV PROPOSED ASSESSMENT FORMULA

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed renewed LVPBID (i.e. streetscape services, marketing-promotions, and administration) it is the opinion of the Assessment Engineer that the assessment factor on which to base assessment rates relate directly to the proportionate amount of Larchmont Boulevard street frontage within one Benefit Zone.

The Basic Benefit Units will be expressed as a function of Larchmont Boulevard street frontage in linear feet. Based on the shape of the proposed renewed LVPBID, as well as the nature of the proposed LVPBID program elements, it is determined that all identified assessed properties will gain a direct and proportionate degree of special benefit based on the respective amount of Larchmont Boulevard street frontage within one Benefit Zone.

Based on the property characteristics of the LVPBID, street frontage quantities are a common method of fairly and equitably spreading special benefits to these beneficiaries of LVPBID funded services, programs and improvements. Using the single component assessment formula of street frontage (Larchmont Boulevard) works well in lower profile commercial districts with relatively homogeneous development patterns and intensities such as Larchmont Village. The commercial buildings in this area are all 1-2 stories with scattered surface and structured parking. This single assessment formula factor directly relates to the amount of special benefit will be conferred on each assessed parcel from LVPBID funded programs, activities and improvements.

Street frontage is a direct measure of the static utilization of each parcel and its corresponding impact or draw on LVPBID funded activities, the majority of which are linear in nature (i.e. streetscape services). In the opinion of the Assessment Engineer, the targeted weight of this factor, street frontage, should generate 100% of the total LVPBID revenue.

Taking into account all identified specially benefiting parcels within the LVPBID and their respective assessable benefit units, the rates, cumulative quantities and assessment revenues are shown in the following Tables:

Year 1 – 2023 - Assessable Benefit Units

LARCHMONT BOULEVARD STREET FRONTAGE (LINEAR FEET)	# OF PARCELS	# OF ASSESSABLE PARCELS
2,177.88	25	25

Year 1 – 2023 - Projected Assessment Revenue

STREET FRONTAGE ASSESSMENT REVENUE	%
\$165,000.00	100%

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The number of Benefit Units for each identified benefiting parcel within the proposed renewed LVPBID was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property-based assessments. All respective property data being used for assessment computations will be provided to each property owner in the LVPBID for their review. If a property owner believes there is an error on a parcel's assessed footages, the LVPBID may confirm the data with the LA County Assessor's office. If LVPBID data matches Assessor's data, the property owner may opt to work with the Assessor's office to correct the data so that the LVPBID assessment may be corrected.

Assessment Formula

In the opinion of the Assessment Engineer the assessment formula for the proposed renewed LVPBID is as follows:

$$\text{Assessment} = \text{Larchmont Boulevard Street Frontage in Linear Feet} \times \text{Unit Rate}$$

Changes to Street Frontage

Any changes in street frontage(s) as a result of parcel adjustments including but not limited to lot splits, consolidations, subdivisions, street dedications, right of way setbacks shall have their assessment adjusted upon final City approval of such parcel adjustments.

Other Future Development

Other than future maximum rates and the assessment methodology delineated in this Plan and the attached Engineer's Report, per State Law (Government Code Section 53750), future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the parcel configuration. Any change in assessment formula methodology or rates other than as stipulated in this Plan would require a new Article XIID ballot procedure in order to approve any such changes.

The complete Year 1 – 2023 assessment roll of all parcels to be assessed by the LVPBID is included in this Plan as Appendix I.

Assessment Formula Unit Rates

Using figures from the Assessable Benefit Units Table and the Projected Assessment Revenue Table on page 13 of this Plan, the assessment rate is calculated as follows:

Street Frontage (Larchmont Boulevard) Unit Rate

$$(\$165,000 \times 100\%) / 2,177.88 \text{ units} = \$75.76175 / \text{linear foot of Larchmont Boulevard street frontage}$$

LARCHMONT VILLAGE PBID – MANAGEMENT DISTRICT PLAN

YEAR 1 –2023 Assessment Rate

STREET FRONTAGE ASSMT RATE (\$/LINEAR FOOT)
\$75.76175

Since the LVPBID is planned for a 10-year term, maximum assessment rates for future years (Years 2-10) must be set at the inception of the LVPBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 3% per annum is incorporated into the projected program costs and, in turn, the resultant assessment rates for the 10-year term of the LVPBID. These figures are shown in the table below. Assessment rates may not exceed those indicated below.

In addition, any annual budget surplus will be incorporated into the subsequent year’s LVPBID budget in accordance with City policy. Within the constraints of the annual adjustment, annual assessments will be set to account for surpluses carried forward in accordance with City policy.

**LVPBID – 10-Year Maximum Assessment Rates
(Includes a 3%/Yr. Max Increase)**

	STREET FRONTAGE ASSMT RATE (\$/LINEAR FEET)
YEAR 1-2023	\$75.76175
YEAR 2-2024	\$78.03460
YEAR 3-2025	\$80.37564
YEAR 4-2026	\$82.78691
YEAR 5-2027	\$85.27052
YEAR 6-2028	\$87.82864
YEAR 7-2029	\$90.46350
YEAR 8-2030	\$93.17741
YEAR 9-2031	\$95.97273
YEAR 10-2032	\$98.85191

LARCHMONT VILLAGE PBID – MANAGEMENT DISTRICT PLAN

SAMPLE ASSESSMENT CALCULATION:

A parcel with 100 linear feet of Larchmont Boulevard street frontage:

$$\text{Assessment} = 100 \text{ linear feet} \times \$75.76175/\text{linear foot} = \$ 7,576.17$$

$$\text{TOTAL YEAR 1 (2023) ASSESSMENT} = \underline{\underline{\$ 7,576.17}}$$

The complete Year 1 – 2023 assessment roll of all parcels to be assessed by the LVPBID is included in this Plan as Appendix I.

V. PUBLICLY OWNED PARCELS

Article XIID states that parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit.

There is currently one publicly owned parcel within the boundaries of the proposed renewed LVPBID. It is a municipal public parking lot located at 211 North Larchmont Boulevard (APN 5515-018-900). This parcel has 100 linear feet of Larchmont Boulevard street frontage. Because this parking lot supports the surrounding commercial area and generates revenue based on the success of the nearby businesses, it is the opinion of the Assessment Engineer that there is no clear and convincing evidence that this parcel would not receive special benefits in the same manner and level of other commercial parcels and, thus, is not exempt from assessments nor assessed differently than other privately owned commercial parcels. The proposed Year 1 (2023) assessment for this parcel is \$7,576.17 or 4.59% of the total Year 1 (2023) assessments to be levied.

In, the future, should any other parcels be acquired by a public agency, it is the opinion of the Assessment Engineer that there is no clear and convincing evidence that such parcels would not receive special benefits and thus, would not be exempt from assessments nor assessed differently than privately owned parcels.

VI. LVPBID GOVERNANCE

The governance or management of the LVPBID requires an Owner’s Association to carry out the LVPBID services and activities. State PBID Law (36600 Streets & Highways Code) also requires that the Owner’s Association carry out specific additional functions. This includes preparation of an Annual Planning Report to the City Council on the LVPBID activities for the past fiscal year and those proposed for the next fiscal year. The Owner’s Association may also recommend to the City Council from time to time, changes to the LVPBID boundaries, benefit zones, assessment formula or LVPBID programs and activities, all subject to public notification and, in some cases petition/balloting requirements.

Meetings of the Owner’s Association and its standing Committees shall be subject to the State of California Brown Act open meeting law.

LARCHMONT VILLAGE PBID – MANAGEMENT DISTRICT PLAN

VII. PROPOSED RULES AND REGULATION APPLIED TO THE DISTRICT

There are no specific rules or regulations applied to the proposed renewed LVPBID.

VIII. OTHER ITEMS

No bonds will be issued for any LVPBID projects in conjunction with the proposed renewed LVPBID formation.

IX. PLAN AUTHOR

The author and preparer of this Plan is Ed Henning of Edward Henning & Associates

X. IMPLEMENTATION TIMETABLE

The proposed renewed LVPBID is expected to begin operation by January 1, 2023. In order to meet this goal, the following procedural timeline is proposed:

<u>Date</u>	<u>Action/Task</u>
Fall '21	• Develop/finalize Management District Plan
Early '22	• Initiate petition drive
Spring '22	• Collect petitions signed by property owners
Spring '22	• Submit majority support petitions to City
Late Spring '22	• City Council adopts Ordinance of Intention to renew the LVPBID
Late Spring '22	• City sends notice of LVPBID public hearing and a ballot to property owners within LVPBID
Mid '22	• City Council conducts hearing (ballots due by this date)
Mid '22	• Providing no majority ballot protest is filed at the hearing, Council approves Ordinance of Renewal for the LVPBID
Mid '22	• Assessment roll submitted to LA County Assessor
Dec 10/Apr 10 (due)	• Assessments billed and collected by LA County with property taxes
1st Qtr. '23	• Revenues remitted to Owners' Association per contract with City
(10 years)	• Owners' Association carries out LVPBID programs and services

APPENDIX 1

YR 1 – 2023 ASSESSMENT ROLL

LARCHMONT VILLAGE PBID – MANAGEMENT DISTRICT PLAN

APN	SITE ADDRESS	LARCHMONT BLVD FRONTAGE (LINEAR FEET)	2023 ASSMT RATE (\$/LINEAR FOOT)	YEAR 1 (2023) ASSMT	% OF TOTAL
5515018012	157 N LARCHMONT BLVD	47.72	\$75.76175	\$3,615.35	2.19%
5515018013	201 N LARCHMONT BLVD	47.72	\$75.76175	\$3,615.35	2.19%
5515018015	215 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515018016	221 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515018017	227 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515018021	5206 BEVERLY BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515018022	241 N LARCHMONT BLVD	150.00	\$75.76175	\$11,364.26	6.89%
5515018900	211 N LARCHMONT BLVD	100.00	\$75.76175	\$7,576.17	4.59%
5515019012	101 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515019013	107 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515019014	111 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515019015	119 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515019016	121 N LARCHMONT BLVD	50.00	\$75.76175	\$3,788.09	2.30%
5515019019	143 N LARCHMONT BLVD	97.72	\$75.76175	\$7,403.44	4.49%
5515019020	147 N LARCHMONT BLVD	95.44	\$75.76175	\$7,230.70	4.38%
5515019021	127 N LARCHMONT BLVD	100.00	\$75.76175	\$7,576.17	4.59%
5515024001	150 N LARCHMONT BLVD	71.32	\$75.76175	\$5,403.33	3.27%
5515024002	126 N LARCHMONT BLVD	250.04	\$75.76175	\$18,943.47	11.48%
5515024003	118 N LARCHMONT BLVD	100.00	\$75.76175	\$7,576.17	4.59%
5515024017	100 N LARCHMONT BLVD	151.71	\$75.76175	\$11,493.82	6.97%
5515025001	242 N LARCHMONT BLVD	100.00	\$75.76175	\$7,576.17	4.59%
5515025002	234 N LARCHMONT BLVD	60.00	\$75.76175	\$4,545.70	2.75%
5515025003	230 N LARCHMONT BLVD	40.00	\$75.76175	\$3,030.47	1.84%
5515025008	200 N LARCHMONT BLVD	66.21	\$75.76175	\$5,016.19	3.04%
5515025021	226 N LARCHMONT BLVD	250.00	\$75.76175	\$18,940.44	11.48%
		2,177.88		\$165,000.00	100.00%

APPENDIX 2

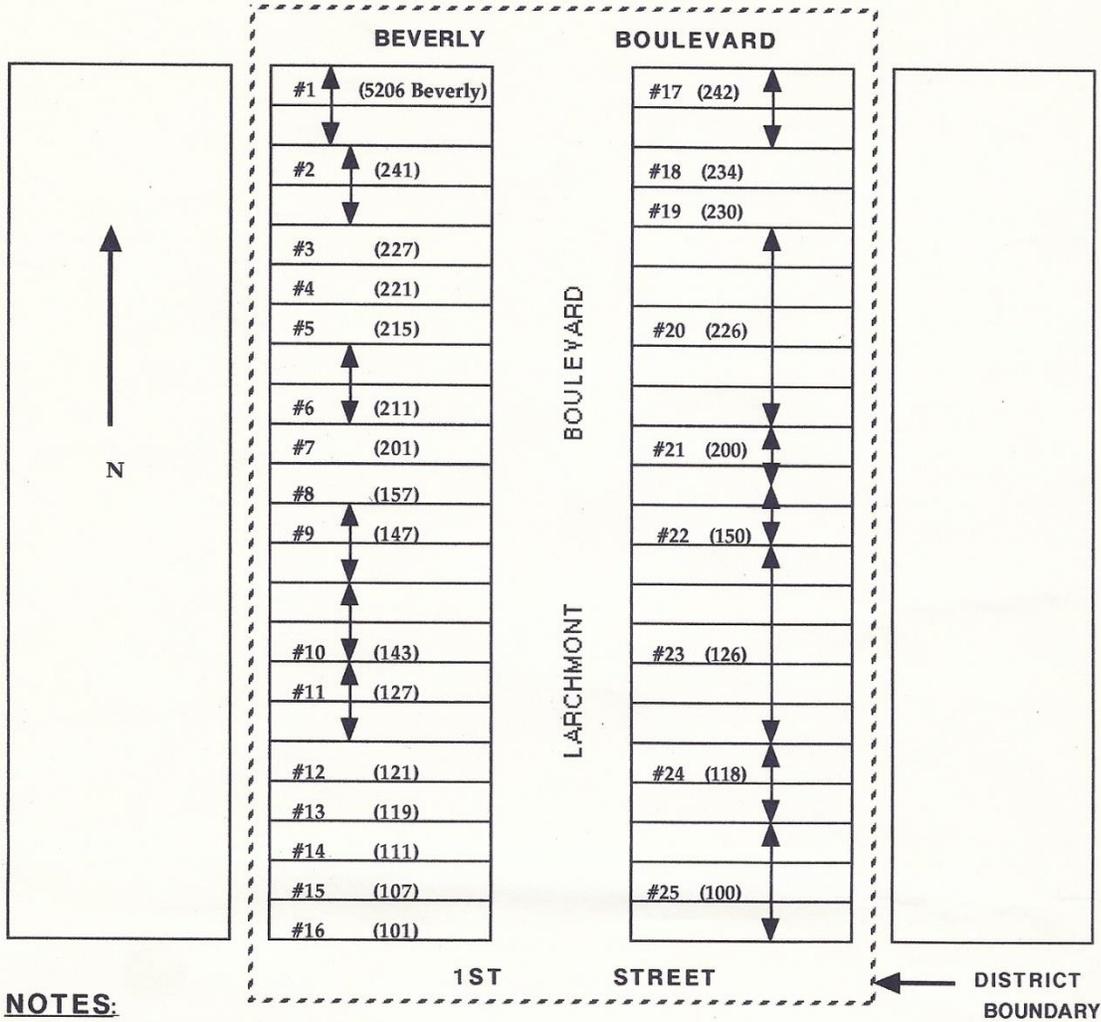
LVPBID BOUNDARY MAP

LARCHMONT VILLAGE PBID – MANAGEMENT DISTRICT PLAN

ASSESSMENT DIAGRAM

SHEET 1 OF 1

LARCHMONT VILLAGE BUSINESS IMPROVEMENT DISTRICT
CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



NOTES:

1. MAP NOT TO SCALE
2. “#” INDICATES DISTRICT PARCEL NUMBER
3. NUMBERS IN PARENTHESIS INDICATES LARCHMONT BOULEVARD STREET ADDRESS UNLESS OTHERWISE NOTED

(See LVPBID MAP Legend on the following page)

LARCHMONT VILLAGE PBID – MANAGEMENT DISTRICT PLAN

LVPBID Map Legend

<u>Map #</u>	<u>APN</u>	<u>Street Address</u>
1	5515-018-021	5206 Beverly Blvd
2	5515-018-022	241 N. Larchmont
3	5515-018-017	227 N. Larchmont
4	5515-018-016	221 N. Larchmont
5	5515-018-015	215 N. Larchmont
6	5515-018-900	211 N. Larchmont
7	5515-018-013	201 N. Larchmont
8	5515-018-012	157 N. Larchmont
9	5515-019-020	147 N. Larchmont
10	5515-019-019	143 N. Larchmont
11	5515-019-021	127 N. Larchmont
12	5515-019-016	121 N. Larchmont
13	5515-019-015	119 N. Larchmont
14	5515-019-014	111 N. Larchmont
15	5515-019-013	107 N. Larchmont
16	5515-019-012	101 N. Larchmont
17	5515-025-001	242 N. Larchmont
18	5515-025-002	234 N. Larchmont
19	5515-025-003	230 N. Larchmont
20	5515-025-021	226 N. Larchmont
21	5515-025-008	200 N. Larchmont
22	5515-024-001	150 N. Larchmont
23	5515-024-002	126 N. Larchmont
24	5515-024-003	118 N. Larchmont
25	5515-024-017	100 N. Larchmont

ATTACHMENT 1

ASSESSMENT ENGINEER'S REPORT