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CALIFORNIA



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December 12, 2017
Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council Districts 4,13

REGARDING:

THE EAST HOLLYWOOD (PROPERTY BASED) BUSINESS IMPROVEMENT DISTRICT'S 2018 FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the East Hollywood Business Improvement District's ("District") 2018 fiscal year (CF 13-0199). 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 East Hollywood Business Improvement District's Annual Planning Report for the 2018 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The East Hollywood Business Improvement District was established on July 20, 2011 by and through the City Council's adoption of Ordinance No. 181881 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the

improvements and activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of an contributions to be made from sources other than assessments levied.

The attached Annual Planning Report, which was approved by the District's Board at their meeting on October 17, 2017, 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 East Hollywood Business Improvement District's 2018 fiscal year complies with the requirements of the State Law
2. ADOPT the attached Annual Planning Report for the East Hollywood Business Improvement District's 2018 fiscal year, pursuant to the State Law.

Sincerely,



Shannon D. Hoppes
Executive Officer
Attachment:

East Hollywood Business Improvement District's 2018 Fiscal Year Annual Planning Report

December 11, 2017

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

Subject: East Hollywood PBID 2018 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 East Hollywood Business Improvement District has caused this East Hollywood Business Improvement District Annual Planning Report to be prepared at its meeting on October 17, 2017.

This report covers proposed activities of the East Hollywood BID from January 1, 2018 through December 31, 2018.

Sincerely,

A handwritten signature in cursive script that reads "Leron Gubler".

Leron Gubler
President and CEO
Hollywood Chamber of Commerce

East Hollywood Business Improvement District

2018 Annual Planning Report

District Name

This report is for the East Hollywood Business Improvement District (District). The District is operated by the Hollywood Chamber of Commerce, a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2018 Fiscal Year. The District Board of Directors approved the 2018 Annual Planning Report at the October 17, 2017 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2018.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2018.

2018 IMPROVEMENTS, ACTIVITIES AND SERVICES

Streetscape/Landscape: \$116,862.14 (37.00%)

Streetscape and landscape projects include tree planting, and weed removal throughout the District, maintaining aesthetic quality, painting streetlight poles, and landscaping.

Maintenance: \$97,912.22 (31.00%)

Maintenance services include tree trimming, sidewalk cleaning, median landscape maintenance, trash receptacle cleaning and litter removal.

Administration/Advocacy: \$56,850.96 (18.00%)

The District's administrative staff will represent the area in support of policies, initiatives and legislative actions that enhance the District's ability to develop as a vibrant commercial area.

Marketing and Promotion: \$34,741.83 (11.00%)

The District will have a unified marketing and promotion program that will include marketing, promotions and business advocacy. Goals of this program include increased customer traffic and sales.

Contingency: \$9,475.06 (3.00%)

The purpose of Contingency is to provide an accounting cushion for any revenue shortfall that might be created in any particular year for assessments that are not paid timely through the County of Los Angeles.

Total Estimate of Cost for 2018

A breakdown of the total estimated 2018 budget is attached to this report as **Appendix A.**

Method and Basis of Levying the Assessment

The Method for levying the 2018 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 footage for three (3) Benefit Zones. Assessments are determined by lot square footage and linear frontage. The assessment rates for 2018 are as follows:

Zone 1

Lot: \$0.0708 per square foot

Frontage: \$0.0663 per linear foot

Zone 2

Lot: \$0.0354 per square foot

Frontage: \$ 0.0331 per linear foot

Zone 3

Lot: \$0.0191 per square foot

Frontage: \$ 0.0179 per linear foot

(This represents a 3% CPI Increase for 2018.)

(There is a 3.0% CPI increase for 2018)

Surplus Revenues: \$79,000.00

At the end of 2017, the District will have an estimated \$79,000 of surplus revenue that will be rolled over into the 2018 budget. The District Board of Governors authorized the rollover at the October 17, 2017 Board of Governors meeting.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2018.

Contribution from Sources other than assessments: \$0.00

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE East Hollywood BID- FY 2018

	Zone 1	Zone 2	Zone 3	Total	
2018 Assessments	\$124,957.11	\$86,613.10	\$25,272.00	\$236,842.21	
Estimated Carryover from 2017	\$41,870.00	\$29,230.00	\$7,900.00	\$79,000.00	
Other Income	\$0.00	\$0.00	\$0.00	\$0.00	
Total Estimated Revenues	\$166,827.11	\$115,843.10	\$33,172.00	\$315,842.21	
2018 Estimated Expenditures					Pct.
Streetscape/Landscape	\$61,726.00	\$42,862.50	\$12,273.64	\$116,862.14	37.00%
Maintenance	\$51,716.40	\$35,912.50	\$10,283.32	\$97,912.22	31.00%
Administration/Advocacy	\$30,028.90	\$20,851.10	\$5,970.96	\$56,850.96	18.00%
Marketing and Promotion	\$18,350.91	\$12,742.00	\$3,648.92	\$34,741.83	11.00%
Contingency	\$5,004.90	\$3,475.00	\$995.16	\$9,475.06	3.00%
Total Estimated Expenditures	\$166,827.11	\$115,843.10	\$33,172.00	\$315,842.21	100%

** Non-regular budget item, not calculated as part of budget percentage.