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March 23, 2022

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

Council Districts 9

REGARDING:

THE SOUTH LOS ANGELES INDUSTRIAL TRACT 2021-2024 (PROPERTY BASED)
BUSINESS IMPROVEMENT DISTRICT'S 2022 FISCAL YEAR ANNUAL PLANNING
REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the South Los Angeles Industrial Tract 2021-2024 Business Improvement District's ("District") 2022 fiscal year (CF 14-1072). 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 South Los Angeles Industrial Tract 2021-2024 Business Improvement District's Annual Planning Report for the 2022 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The South Los Angeles Industrial Tract 2021-2024 Business Improvement District was established on June 24, 2020 by and through the City Council's adoption of Ordinance No. 186688 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 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 9, 2021, 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

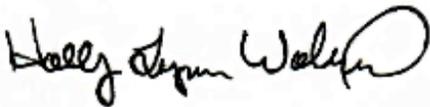
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the South Los Angeles Industrial Tract 2021-2024 Business Improvement District's 2022 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2022 budget concurs with the intentions of the South Los Angeles Industrial Tract 2021-2024 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 South Los Angeles Industrial Tract 2021-2024 Business Improvement District's 2022 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott

City Clerk

Attachment:

South Los Angeles Industrial Tract 2021-2024 Business Improvement District's 2022 Fiscal Year Annual Planning Report

March 23, 2022

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

Subject: South Los Angeles Industrial Tract 2021-2024 PBID 2022 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 South Los Angeles Industrial Tract 2021-2024 Business Improvement District has caused this South Los Angeles Industrial Tract 2021-2024 Business Improvement District Annual Planning Report to be prepared at its meeting on November 9, 2021.

This report covers proposed activities of the South Los Angeles Industrial Tract 2021-2024 BID from January 1, 2022 through December 31, 2022.

Sincerely,

A handwritten signature in cursive script that reads "Susan Levi".

Susan Levi

South Los Angeles Industrial
Tract 2021-2024
Business Improvement District

2022 Annual Planning Report

District Name

This report is for the South Los Angeles Industrial Tract Business Improvement District (District). The District is operated by the South Los Angeles Industrial Tract Property Owners Association, a California non-profit corporation.

Fiscal Year of Report

The report applies to the 2022 Fiscal Year. The District Board of Directors approved the 2022 Annual Planning Report at the November 9, 2021 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2022.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2022.

2022 IMPROVEMENTS, ACTIVITIES AND SERVICES

Security: \$768,012.00 (78.58%)

The South Los Angeles Industrial Tract BID security program mission is to support the property owners and tenants in overall crime prevention and reduction efforts, while offering a customer service orientation to tenants.

The security team provides services on a 24-hour basis through a combination of bicycle and vehicular patrol. These services are intended to deter property theft, illegal dumping, and other related issues. Uniformed safety patrol officers provide a variety of security and safety services by assisting property owners, patrons, visitors, and employees through their presence and interaction with and reporting criminal activities and quality of life issues to LAPD. Security personnel monitors the sixty video cameras 24 hours a day, 7 days a week. The video monitoring acts as a dispatcher by observing incidents and dispatching either the bike patrol or vehicle patrol to investigate. This allows the SLAIT BID to contact LAPD to formally assist when needed.

Security also includes the operation and maintenance of over a dozen automatic opening security gate arm pairs that serve as a "traffic calming" measure. Included in this service are costs associated with maintenance of the various security features (i.e. cameras, security software, and street crossing gates) as they become excessively worn and/or obsolete.

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The BID will complete the installation of 17 new, 360-degree PTZ cameras as part of the upgrade to the existing security camera surveillance system as well as the radio repeater communication system.

Streetscape Services: \$88,000.00 (9.00%)

Streetscape Services includes regular programmed and response oriented sidewalk sweeping and pressure washing, graffiti abatement, removal of trash and discarded bulky items, and other streetscape related issues that may arise.

Marketing: \$1,250.03 (0.13%)

Included in the Marketing program are the costs for the production of a quarterly newsletter and conducting the annual meeting of property and business owners.

Program Management: \$78,652.00 (8.05%)

Included in the Program Management program are the costs for personnel to oversee the implementation of the Management District Plan and various programs, oversight of the Owners' Association's compliance with the terms of its contract with the City, accounting/bookkeeping fees, Directors & Officers and General Liability insurance.

Operations: \$41,441.00 (4.24%)

Included in the Operations program are the costs for office expenses, legal fees, production of the Annual Planning Report and Budget, quarterly reports, costs associated with the SLAIT BID renewal, as well as City and/or County fees associated with their oversight of the SLAIT BID.

Total Estimate of Cost for 2022

A breakdown of the total estimated 2022 budget is attached to this report as **Appendix A**.

Method and Basis of Levying the Assessment

The method and basis of levying the 2022 assessment are the same as listed in the Management District Plan. The Management District Plan allows for maximum annual assessment increase of 5%.

2022 assessment rate:
Lot square footage \$0.093

(There is No CPI increase for 2022)

Surplus Revenues: \$139,974.00

The BID has generated some anticipated surplus funds as a result of several factors:

There is still one gate arm that needs to be completed as part of a project from 2020. There have been numerous delays in obtaining a permit and final approval from LADWP, LADBS and LABOE. We anticipate this will be resolved by early 2022 and \$3,300 has been set aside to complete the project.

In 2021, the BID began the installation of 10 new 360-degree cameras to begin upgrading the existing security camera surveillance system. A contingency budget of \$7,000 has been set aside for any unforeseen expenditures related to this project and will be rolled over into 2022 when final completion is expected. The Board approved the purchase of 7 additional cameras and the relocation of one existing camera in the amount of \$125,965 for a total of 17 new 360-degree, PTZ cameras. The BID paid a deposit on this contract in late 2021 in the amount of \$31,491.25 leaving a balance of \$94,474 to be paid upon completion.

The BID saw a cost savings with Streetplus, our safety patrol vendor. Often the staffing positions are filled with overtime hours that we are not billed for and therefore have created a savings of approximately \$10,000. These funds will be used in the security category to fund the new bicycles, repeater and radio system contracted for in 2021.

The BID received approximately \$5,200 in accrued interest and a large percentage of this will offset an increase in security patrol services.

In 2021, the BID budgeted \$5,000 to fund future renewal efforts. The BID plans to allocate \$3,000-\$5,000 each year so when renewal costs are incurred there are sufficient revenues to pay for this expense.

Finally, as of the writing of this report, the BID has not trimmed the trees in the District. They are usually trimmed in the Fall when the weather is cooler, however our vendor has been out sick with COVID. We are hoping he will recover quickly and be able to trim the trees by year's end. His prices are extremely reasonable and seeking another vendor at this time would require a substantial increase in this budget item. The BID has allocated \$15,000 for this expenditure.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2022.

Contribution from Sources other than assessments: \$15,277.00

General Benefit

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE South Los Angeles Industrial Tract 2021-2024 BID- FY 2022

2022 Assessments	\$822,104.03	
Estimated Carryover from 2021	\$139,974.00	
Other Income	\$15,277.00	
Total Estimated Revenues	\$977,355.03	
2022 Estimated Expenditures		Pct.
Security	\$768,012.00	78.58%
Streetscape Services	\$88,000.00	9.00%
Marketing	\$1,250.03	0.13%
Program Management	\$78,652.00	8.05%
Operations	\$41,441.00	4.24%
Total Estimated Expenditures	\$977,355.03	100%