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November 15, 2022

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

Council Districts 2

REGARDING:

THE STUDIO CITY 2020-2024 (PROPERTY BASED) BUSINESS IMPROVEMENT
DISTRICT'S 2023 FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Studio City 2020-2024 Business Improvement District's ("District") 2023 fiscal year (CF 12-1543). 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 Studio City 2020-2024 Business Improvement District's Annual Planning Report for the 2023 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Studio City 2020-2024 Business Improvement District was established on January 4, 2020 by and through the City Council's adoption of Ordinance No. 186183 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 24, 2022, 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 Studio City 2020-2024 Business Improvement District's 2023 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2023 budget concurs with the intentions of the Studio City 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 Studio City 2020-2024 Business Improvement District's 2023 fiscal year, pursuant to the State Law.

Sincerely,

A handwritten signature in black ink, appearing to read "Petty F. Santos", with a stylized, cursive script.

Petty F. Santos
Executive Officer

Attachment:

Studio City 2020-2024 Business Improvement District's 2023 Fiscal Year Annual Planning Report

November 15, 2022

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

Subject: Studio City 2020-2024 PBID 2023 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 Studio City 2020-2024 Business Improvement District has caused this Studio City 2020-2024 Business Improvement District Annual Planning Report to be prepared at its meeting on October 24, 2022.

This report covers proposed activities of the Studio City 2020-2024 BID from January 1, 2023 through December 31, 2023.

Sincerely,

A handwritten signature in black ink that reads "Vicki Nussbaum". The script is elegant and cursive, with the first letters of each name being capitalized and prominent.

Vicki Nussbaum

Studio City Improvement Association

Studio City 2020-2024 Business Improvement District

2023 Annual Planning Report

District Name

Studio City Property & Business Improvement District

Fiscal Year of Report

The report applies to the 2023 Fiscal Year. The District Board of Directors approved the 2023 Annual Planning Report at the October 24, 2022 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2023.

Benefit Zones

There are no changes to the District's benefit zone(s) for 2023.

2023 IMPROVEMENTS, ACTIVITIES AND SERVICES

Landscaping, Sanitation & Beautification: \$285,418.75 (47.65%)

Zone 1: landscaping care, weed removal, trash disposal, sanitation personnel, sidewalk cleaning, graffiti removal, and tree trimming

Zone 2: sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, and tree trimming

Zone 3: sanitation personnel, trash disposal, sidewalk cleaning, graffiti removal, and tree trimming

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All zones receive tree trimming and zone 2 receives weed removal as well as landscaping for the new Fairway project.

Streetscape, Capital, Parking & Safety Improvements: \$130,718.75 (21.82%)

Zone 1: capital improvements, streetscape projects, parking or safety issues, possible periodic shuttle services and safety enhancements.

Zone 2: streetscape, address parking or safety issues, possible periodic shuttle services and safety enhancements

Zone 3: streetscape, address parking or safety issues, and safety enhancements

Marketing: \$53,701.54 (8.96%)

Zone 1: website presence, other marketing promotions, newsletter, and holiday decorations.

Zone 2: website presence, other marketing promotions, newsletter, and holiday decorations

Zone 3: website presence, other marketing promotions, and newsletter

Administration: \$129,212.10 (21.57%)

Includes activities and services such as: payment for City fees, delinquencies, and no pays, personnel, operations, professional services (e.g. legal, accounting, insurance), production of the Annual Planning Report and Budget and quarterly reports, facilitation of meetings of the Owners' Association, compliance with applicable laws, outreach to District property and business owners, and participation in professional peer/best practice forums such as the LA BID Consortium, the California Downtown Association or the International Downtown Association. It also covers the costs associated with District renewal, as well as City and/or County fees associated with their oversight and implementation of the District, the Owners' Association's compliance with the terms of its contract with the City, and the implementation of the Management District Plan and the Engineer's Report

Total Estimate of Cost for 2023

A breakdown of the total estimated 2023 budget is attached to this report as **Appendix A.**

Method and Basis of Levying the Assessment

The basis of levying the proposed Studio City PBID's annual assessment is based on an allocation of program costs as described in the Management District Plan and is a calculation of assessable parcel footage and linear street footage within three (3) zones of benefit with differing rates depending type and frequency of services provided in that zone.

The 2023 assessment rates are as follows:

Zone 1

Lot 0.037856

Ventura Blvd. Frontage 20.8208

All Other Frontage 6.240832

Zone 2

Lot 0.02912

Ventura Blvd. Frontage 16.016

All Other Frontage 4.8048

Zone 3

Lot 0.0194688

All Other Frontage 2.076672

(There is a 4.0% CPI increase for 2023)

Surplus Revenues: \$153,354.00

We received \$110K in past due assessments from 2018 in October 2022. This past due assessment payment accounts for most of the rollover and we plan to spend it in 2023 evenly across all landscaping, streetscape/security, marketing and administration in all three zones. The remaining \$43,354 in rollover is less than 10% of assessments and we will use this to pay our January bills. This \$43,354 is from all three zones and will be used towards landscaping, streetscape/security, marketing and administration evenly. So the total amount of rollover in zone 1 is \$95,539.54 divided up as \$45,524.59 in landscaping, \$20,846.73 in streetscape/security, \$8,560.34 in marketing and \$20,607.88 in administrative. The total amount of rollover in zone 2 is \$47,539.74 divided up as \$22,652.69 in landscaping, \$10,373.17 in streetscape/security, \$4,259.56 in marketing and \$10,254.32 in administrative. The total amount of rollover in zone 3 is \$10,274.22 divided up as \$4,895.90 in landscaping, \$2,241.94 in streetscape/security, \$920.61 in marketing and \$2,216.26 in administrative.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2023.

Contribution from Sources other than assessments: \$11,996.13

Interest revenue of \$1630.45 and General Benefit income of \$10365.68

APPENDIX A- TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE Studio City 2020-2024 BID- FY 2023

	Benefit Zone 1	Benefit Zone 2	Benefit Zone 3	Total	
2023 Assessments	\$270,195.73	\$134,447.31	\$29,057.97	\$433,701.01	
Estimated Carryover from 2022	\$95,539.54	\$47,539.74	\$10,274.72	\$153,354.00	
Other Income	\$7,473.59	\$3,718.80	\$803.74	\$11,996.13	
Total Estimated Revenues	\$373,208.86	\$185,705.85	\$40,136.43	\$599,051.14	
2023 Estimated Expenditures					Pct.
Landscaping, Sanitation & Beautifucation	\$177,815.88	\$88,479.81	\$19,123.06	\$285,418.75	47.65%
Streetscape, Capital, Parking & Safety Improvements	\$81,437.78	\$40,522.81	\$8,758.16	\$130,718.75	21.82%
Marketing	\$33,456.06	\$16,647.48	\$3,598.00	\$53,701.54	8.96%
Administration	\$80,499.14	\$40,055.75	\$8,657.21	\$129,212.10	21.57%
Total Estimated Expenditures	\$373,208.86	\$185,705.85	\$40,136.43	\$599,051.14	100%