

# CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,  
COUNCIL/PUBLIC SERVICES DIVISION  
ROOM 395, CITY HALL

DATE: 1/20/12

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FROM (DEPARTMENT): City Clerk

CONTACT PERSON: Rick Scott PHONE: 213-978-1121

CONTRACT NO.: C-120055 COUNCIL FILE NO.: 11-1177

ADOPTED BY COUNCIL: 09/14/11  
DATE

APPROVED BY BPW: \_\_\_\_\_  
DATE

NEW CONTRACT X  
AMENDMENT NO. \_\_\_\_\_  
ADDENDUM NO. \_\_\_\_\_  
SUPPLEMENTAL NO. \_\_\_\_\_  
CHANGE ORDER NO. \_\_\_\_\_

CONTRACTOR NAME: Central Hollywood Coalition

TERM OF CONTRACT: 01/01/2012 THROUGH: 12/31/2018

TOTAL AMOUNT: n/a

PURPOSE OF CONTRACT:  
Administration of the Sunset and Vine Business Improvement District

AGREEMENT TO ADMINISTER THE PROPERTY-BASED  
BUSINESS IMPROVEMENT DISTRICT

AGREEMENT NO. C-120055

This Agreement ("Agreement") is entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), and the CENTRAL HOLLYWOOD COALITION, a California nonprofit corporation ("Corporation"), acting as the Owners Association pursuant to Section 36651 of the California Streets and Highways Code, for the administration of the Sunset and Vine Business Improvement District, for the purpose of conveying special benefits to parcels assessed as part of the Sunset and Vine Business Improvement District, with reference to the following facts:

RECITALS

- A. On September 14, 2011, the Los Angeles City Council ("City Council"), acting pursuant to the Property and Business Improvement Act of 1994, Sections 36600, et seq., of the California Streets and Highways Code ("Act"), adopted City Ordinance No. 181880 ("Ordinance"), which established the Sunset and Vine Business Improvement District ("District") and levied assessments on the parcels of real property within the District. (Council File No. 11-1177)
- B. The Assessments levied and collected by City shall be used only for the purposes set forth in said Ordinance, which incorporates by reference the Management District Plan, except for any City costs or expenses, which are charged to the District by City for administration of the District program.
- C. The services and activities to be performed by Corporation are of a supplemental nature, such that were it not for the establishment of the District, the supplemental services could not or would not be performed by City or by City employees, and such that the interests of City are better served by an agreement with the Corporation than by the performance or attempted performance of such supplemental services and activities by City.
- D. City currently intends that the level of services presently being provided by City in the area within the District ("baseline service level") will not be affected by the establishment of the District or the levying of assessments.
- E. The City Council has authorized the Los Angeles City Clerk ("City Clerk"), as Business Improvement District Program Coordinator, and subject to approval by the Los Angeles City Attorney, to execute and administer this Agreement for administration of the District program.
- F. Subsequent to adoption of said Ordinance by the Los Angeles City Council, and prior to the execution of this Agreement, Corporation has commenced tasks associated with this Agreement including, but not limited to, the purchase of insurance as required in Section 8.1, herein.

NOW, THEREFORE, City and Corporation in consideration of the recitals, mutual promises, covenants, agreements and representations set forth below, hereby promise, covenant, agree and represent as follows:

SECTION 1. PERIOD OF PERFORMANCE

The period of performance under this Agreement shall be from January 1, 2012 to and including December 31, 2018, unless amended by mutual agreement of both parties through a written amendment to this Agreement.

## SECTION 2. CORPORATION RESPONSIBILITIES

- 2.1. **PROGRAM IMPLEMENTATION AND OPERATION.** Corporation shall be fully responsible for developing, implementing, directing, and operating the District programs, improvements or activities as described in the Management District Plan set forth in Attachment 1, attached hereto and incorporated fully by reference. Corporation understands and expressly agrees that it will comply with all applicable laws and regulations and maintain its non-profit status for the duration of this agreement.
- 2.2. **PROGRAM AND BUDGET REPORTS.** Corporation shall prepare and submit to the City Clerk quarterly activity reports and a planning report for each year for which Assessments are to be levied and collected by City. Corporation shall submit to the City Clerk various District program plans and reports, including the following:
  - A. **Planning Reports.** Corporation shall prepare and submit to the City Clerk a Planning Report for each fiscal year for which Assessments are to be levied and collected. The Planning Report shall be prepared in accordance with Section 36650 of the Act and shall contain all items required by said Section. The first Planning Report shall be submitted by December 1, 2012 and by December 1 of each subsequent fiscal year of District operations for which assessments are to be levied and collected. The District's "fiscal year" shall be from January 1 to and including December 31. These reports are subject to review, approval and or modification by the City Council.
  - B. **Quarterly Activity Reports.** Corporation shall submit quarterly activity reports. The report for January, February and March of each District operating year shall be submitted by April 30 of the subject year; the report for April, May and June by July 31 of the subject year; the report for July, August and September by October 31 of the subject year; and the report for October, November and December by January 31 of the subsequent year. The Quarterly Activity reports shall describe the status and progress of the various District programs, improvements and activities as described and referenced in the Management District Plan and subsequent Planning Reports. The Quarterly Activity Report shall be written in narrative summary form and include summary statistical and financial data.
- 2.3. **FINANCIAL STATEMENTS.** For each fiscal year, Corporation shall submit to the City Clerk a full disclosure financial statement covering the fiscal year with a Certified Public Accountant's review report. Corporation shall include with its financial statement a report of Corporation's activities, including but not limited to those activities listed in the Planning Report for that fiscal year. The first financial statement shall be submitted to the City Clerk by May 1, 2013, and by May 1 of each subsequent fiscal year.
- 2.4. **PROGRAM COORDINATION.** Corporation shall render services in accordance with the Management District Plan and the terms of this Agreement, and shall cooperate with the City Clerk in the execution of the Management District Plan and this Agreement.
- 2.5. **SUPPORT SERVICES.** Corporation assumes responsibility for the contracting for support services as required, and paying for all such direct and indirect expenses as may be necessary for the timely completion of work. Any obligations or expenditures for items not budgeted shall not be paid through assessments collected for the District. In administering subcontracts as necessary for providing District programs, improvements or activities, Corporation shall comply with all applicable State, County and City laws and regulations.

- 2.6. **LIAISON WITH COMMUNITY.** Corporation shall maintain an ongoing liaison relationship with the community. Corporation's responsibilities encompass the following areas:
- A. **Public Meetings.** Corporation shall organize and conduct, at a minimum, one annual public meeting to be noticed in writing by Corporation to all assessed property owners in the District. This meeting will be conducted at a location within the District, in order to allow the property owners to meet other District members as well as to familiarize themselves with Corporation, its functions and its officers. At these meetings District members shall have the opportunity to express to Corporation their desires and concerns relating to the District.
  - B. **Newsletters.** Corporation shall prepare a District newsletter to be produced on a quarterly basis, at a minimum, and shall distribute this newsletter to all assessed property owners in the District. Corporation may, at Corporation's option, provide the newsletter by standard mail or electronic transmission. The newsletter will be designed to facilitate and maximize the exchange of information between Corporation, City, and the members of the District. Each issue of the newsletter shall be submitted in duplicate to the City Clerk for reference.
  - C. **Other Events.** Corporation shall organize at their discretion other events and activities that involve District members and further the goals and objectives described in the Management District Plan.
- 2.7. **BUDGET.** Each program, improvement or activity specified in the Management District Plan, and as described in section 36622 of the Act, or the Planning Report, shall be implemented by Corporation. Corporation and City agree that amounts shown in the Management District Plan or the Planning Reports were the best estimates of the cost of those programs, improvements or activities at the time those estimates were made. Deviations from those estimates may be anticipated. City and Corporation also agree that the programs, improvements and activities may not be completed within the year budgeted, given normal delays that can be expected in these types of programs. Corporation will use its best efforts to implement and complete all programs, improvements and activities specified in the Management District Plan. If Corporation decides to make any changes to the Management District Plan, Corporation will request City Council authorization to make said modifications pursuant to Sections 36635 and 36636 of the Act. In no event may Corporation spend more than the total amount budgeted in the Management District Plan for any given year, including delinquent payments, interest income, and rollover funds, without City Clerk or City Council approval.
- 2.8. **ASSESSMENT RECORDS.** Corporation shall maintain a complete database or other comprehensive listing, current to the most recent property tax year available, containing the following information: the Assessor Parcel Number and situs address of all parcels in the District; the name and address of the legal owner of each parcel; the amount of Assessment levied upon each parcel; the proportionate financial obligation of the Assessment levied upon each parcel, in relation to the entire District Assessment; and, the Assessment calculations for each parcel, including all variables used in the calculation of the Assessment. Said database shall be updated at least once each year during District operations to reflect changed conditions such as parcel consolidation and to accurately reflect the status of the assessed individual parcels as provided in the Management District Plan. The City Clerk may, at the City Clerk's discretion, provide assistance in compiling or correcting assessment data or information relative to properties in the District; however, the City Clerk shall in no way be obligated to prepare, produce or correct such data or information. Corporation agrees to make such District data available at the Corporation's office for inspection by property owners in the District during regular business hours.



- 2.9. ANNUAL ASSESSMENT PREPARATION. Beginning June 1, 2012, and by June 1 of each subsequent fiscal year, Corporation shall supply the City Clerk with Assessment data for placement on the Los Angeles County Assessor tax roll for the subsequent tax year, in a format to be prescribed by the City Clerk. The Assessment data shall include the following: Assessor Parcel Numbers of all parcels in the District; the amount of Assessment to be levied upon each parcel; exemption documentation acceptable to the City Clerk, the Assessment calculations for each parcel, including all variables used in the determination of the Assessment, and other information which the City Clerk may require. Any corrections or adjustments to the annual assessment transmittal, as well as the accuracy of any such corrections or adjustments, shall be the responsibility of Corporation. Upon request of the City Clerk, Corporation hereby agrees to promptly complete a written request for an investigation of discrepancies and make all reasonable efforts to obtain additional related documentation. If City agrees, any errors caused by City in transmitting or calculating Corporation supplied data will result in an immediate correction and re-transmission by City.

### SECTION 3. CITY RESPONSIBILITIES

The City Clerk may assist with the resolution of any discrepancies in individual Assessment amounts, calculations or benefits. The City Clerk reserves the right to:

- A. Make reasonable efforts to effect the timely collection of the annual assessment, including City assessments and direct billed assessments;
- B. Make reasonable efforts to pursue delinquent assessments and remit such assessments to Corporation, including interest and penalties subject to City's right to recover costs for pursuing such assessments;
- C. Maintain a continual liaison with Corporation, including assisting with the coordination of services from various other City departments, bureaus, and agencies;
- D. Conduct reviews of existing primary data; verify Assessment data as compiled by any consultant or subcontractor hired by Corporation; perform field or site inspections to verify the accuracy of existing or secondary data, or to substantiate a claim made by a property owner subject to assessment in the District, with the cooperation of Corporation; maintain confidentiality of certain City records as City deems appropriate;
- E. Direct the Corporation to recalculate the Assessment amount due and direct the Los Angeles County Auditor-Controller to respond appropriately, or make such other arrangements with Corporation and the property owner to resolve the incorrect assessment;
- F. Recalculate the Assessment amount due and direct the Los Angeles County Auditor-Controller to respond appropriately, or make such other arrangements with Corporation and the property owner to resolve the incorrect assessment;
- G. Any of the actions by the City Clerk mentioned in this Section may require a written request from Corporation to conduct the investigation; additional related documentation, such as a written request from the affected property owner, may also be required. All City Clerk costs associated with such supplemental investigations may be recovered from the District Assessments collected, subject to existing or future City policies and procedures regarding recoverable costs and expenses. Such costs will be in addition to those costs set forth in Sections 6.1 through 6.4 of this Agreement.

#### SECTION 4. AVAILABILITY OF DOCUMENTS

The designs, plans, reports, files, invoices, investigations, materials, and documents prepared or acquired by or for Corporation pursuant to this Agreement (including any duplicate copies) shall be made fully available to City by Corporation. Corporation agrees to exercise reasonable and due diligence in providing for the secure storage of all such materials and to provide copies for official City records upon request from the City Clerk.

#### SECTION 5. DISBURSEMENTS

- 5.1. Based upon the annual assessments as listed in the Management District Plan or Planning Reports, and with the exception of recoverable City costs and net of any County charges or supplemental City service fees, loans or advances, City shall disburse to Corporation the actual revenues received from District assessments. Assessment revenues shall be disbursed to the Corporation by City periodically throughout each year as close to the time City receives such revenues from the County.
- 5.2. The City Clerk will notify Corporation of the amount of funds available within twenty (20) business days of the date of receipt of a transmittal of funds to City from the County of Los Angeles, or the receipt of funds through the direct billing by City of public agencies or other entities. Corporation will deliver an invoice to the City Clerk requesting such funds. The City Clerk agrees to pay Corporation the amount due Corporation within twenty (20) business days of receiving said invoice, subject to Corporation's compliance with Section 2 of this Agreement and except in the case of circumstances beyond the control of the City Clerk. City shall not be responsible for delays in disbursements to Corporation due to delays in funds transmittals by County or payment delays by other public entities, organizations or agencies.
- 5.3. The City Clerk will notify Corporation of the amount of delinquent assessments and penalties, if any, that have been collected and are available to Corporation for the improvements and activities. Corporation will invoice City for the amount of delinquent assessments. The City Clerk agrees to pay Corporation the amount due to Corporation within ten (10) business days of receiving the invoice for the delinquent assessments that have been recovered, subject to Corporation's compliance with its responsibilities under provisions of this Agreement and except in the case of circumstances beyond the control of the City Clerk. The City Clerk will so notify Corporation of these assessments when the amounts collected exceed five hundred dollars (\$500).
- 5.4. The City Clerk may withhold either all or some portion of the actual revenues received from assessments, if the City Clerk finds that Corporation is not properly administering the budget in accordance with the Ordinance, Planning Report, and Subsections 2.2, 2.3, 2.6 (A) & (B), 2.8 (insofar as it requires Corporation to create a budget and expend funds pursuant to this Agreement, the Management District Plan, and the Planning Report, and in compliance with the Act). The City Clerk will notify Corporation and set forth the specific problems and issues relative to the Corporation's failure to properly implement the improvements and activities stated in Section 2 of this Agreement, the Ordinance, Management District Plan, and Planning Report. The City Clerk and Corporation will immediately attempt to cure the problems if, at the City Clerk's discretion, a cure is appropriate. Funds will be released upon the implementation of an acceptable cure, subject to the approval of the City Clerk and possible modification of the disbursement schedule. This does not alter or diminish in any way City's right to proceed in a manner consistent with California Streets and Highways Code, Section 36670 or other applicable law, or to invoke other appropriate remedies, including termination of this

agreement.

- 5.5. If the Corporation is dissolved, dissolves itself, or no longer has non-profit status, prior to or upon the expiration of this Agreement, any unexpended monies will be immediately transmitted to City for distribution as described in Section 10 of this Agreement. Corporation will immediately notify the City Clerk of any such change in corporation status.

## SECTION 6. COSTS AND EXPENSES

- 6.1. **RECOVERABLE COSTS.** The recoverable City costs associated with the District's billing, account maintenance, program and report reviews as well as liaison activities, assistance to the Corporation and general administration, will be reimbursed to City. City shall deduct recoverable City costs from the District's special fund. Such costs may be withheld by the City Clerk prior to making any distribution of funds to Corporation.
- A. The recoverable City costs are reimbursable from the assessment revenues each year of the District's operation. The reimbursable direct costs and expenses include salaries, general expenses and the District's share of required program equipment costs. The recoverable City costs are two percent 2% of the total annual assessments, plus an additional one percent (1%) for departmental costs associated with the direct billing of BID stakeholders, if applicable. For the first fiscal year estimated recoverable costs will be \$28,593.50.
- B. The amounts and categories of allowable recoverable or reimbursable City costs are subject to existing or future City policies and procedures regarding recoverable costs and expenses, and remain subject to review and action by the City Council. In no event will a change in policies or procedures be imposed on the Corporation during a current fiscal year, such that the charge would require additional funds to be paid to City. Any such change shall be made through a written amendment to this Agreement, consistent with Section 22 ("Amendment") below.
- 6.2. **STANDARD CITY FEES.** All standard City fees, including but not limited to, fees or service charges for reproduction or transmittal requests or for the generation of real property or business ownership lists, reports or specific documents, may be applied to requests by Corporation. Such fees are in addition to the estimated costs and fees in Sections 6.1, 6.3 and 6.4 of this Agreement.
- 6.3. **SUPPLEMENTAL CITY FEES.** Supplemental fees may be charged to Corporation by City to cover the additional costs incurred for specialized services, including but not limited to: researching and compiling data; preparing specialized types of reports specific to the needs of the Corporation; and performing site inspections as described in Section 3.2. of this Agreement. Corporation may request the performance of all such specialized services in writing. If City determines to proceed with said request, City shall notify the Corporation of any applicable fees prior to performing the specialized service requested. City may initiate such special services to resolve discrepancies or assessment benefit problems. City will notify Corporation thirty (30) days prior to initiating such services in order to allow the Corporation to resolve the need for such specialized services. If notice is not given but City does conduct specialized services, the cost of those specialized services will be borne by the City. Such fees shall be deducted from the Assessments collected or shall be paid in advance by the Corporation, at the City Clerk's discretion and are in addition to costs and fees set forth in Sections 6.1, 6.2 and 6.4 of this Agreement.

- 6.4. LOS ANGELES COUNTY FEES. All fees and costs charged to City by the County of Los Angeles for processing or adjusting Assessments or Assessment data, including, but not limited to District report preparation fees, supplemental billing fees and technical, research or systems expenses, shall be deducted from Assessments collected. Such fees are in addition to the costs and fees shown in Sections 6.1 through 6.3 of this Agreement.

## SECTION 7. RETENTION OF RECORDS, AUDIT AND REPORTS

- 7.1. In accordance with generally accepted accounting principles, Corporation shall maintain full and complete records of activities and services performed under this Agreement, in their original form. Such records shall be open to the inspection of City and City may audit such records. Corporation agrees to keep all such records on file in a secure location for a minimum of three (3) years subsequent to the expiration of this Agreement.
- 7.2. The records maintained by Corporation shall include, but shall not be limited to, all invoices and receipts for District related expenditures incurred and must include supporting documentation for the activities or programs described in the District budget or Management District Plan. City reserves the right to perform a contract compliance audit at least once annually. Corporation shall provide any records or reports requested by the City regarding performance of this Agreement. Corporation agrees to keep all receipts and other supporting documents available for inspection and as specified in Section 7.1 of this Agreement.

## SECTION 8. INSURANCE

### 8.1. General Conditions

- A. During the term of this Agreement and without limiting Corporation's indemnification of the City, Corporation shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by Corporation but not less than the amounts and types listed on Form General 146 (Rev. 03/09) (attached hereto as Exhibit 1). Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with the instructions set forth on Form General 133 (Rev. 03/09) (included in Exhibit 1) and with the conditions set forth on the applicable City Special Endorsement form(s), copies of which are included in Exhibit 1, and shall otherwise be in a form acceptable to the City Attorney. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interests May Appear, respectively, when such status is appropriate and available depending on the nature of the applicable coverages; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at the option of the insurer; and 3) be primary with respect to City's insurance program. Except when City is a named insured, Contractor's insurance is not expected to respond to claims, which may arise from the acts or omissions of the City.

### 8.2 Modification of Coverage

- A. City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required hereunder by giving Corporation ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to the Corporation due to market-wide unavailability of coverage, City agrees to negotiate additional compensation proportional to the increased benefit to City.

8.3. Failure to Procure Insurance

- A. All required insurance must be submitted and approved by the City Attorney prior to the inception of any operations or tenancy by Corporation. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by City. Non-availability or non-affordability must be documented by a letter from Corporation's insurance broker or agent indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each.
- B. Within the foregoing constraints, Corporation's failure to procure or maintain required insurance or a self-insurance program during the entire term of this Agreement shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

8.4. Workers' Compensation

- A. By signing this Agreement, Corporation hereby certifies that it is aware of the provisions of Section 3700 et seq., of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Agreement.
- B. A Waiver of Subrogation in favor of City will be required when work is performed on City premises under hazardous conditions.

SECTION 9. NOTICES

9.1. Notice to the parties shall, unless otherwise requested in writing, be sent in duplicate to:

City:	Miranda Paster, Acting Chief Administrative Services Division Office of the City Clerk 200 North Spring Street, Room 224 Los Angeles, California 90012  Attn: Special Assessments Section Phone (213) 978-1099 / Fax (213) 978-1130
Corporation:	Kerry Morrison, Executive Director c/o Central Hollywood Coalition 1680 Vine Street, Suite 414 Hollywood, California 90028  Phone (323) 463-8845 / Fax (323) 463-4229

9.2. Any notice, report, newsletter or other communication required or prepared pursuant to this Agreement shall be deemed to be properly transmitted when delivered via messenger or

deposited in the United States mail for delivery to the parties listed above. Changes to the address of any of the parties may be accomplished for purposes of this Agreement by providing written notice of such change via the United States mail.

#### SECTION 10. REVENUES AND ASSETS OF THE DISTRICT

In the event the District is disestablished, expires, or otherwise terminates, or the Corporation ceases to be a non-profit corporation, all remaining revenue, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, shall be refunded in the manner described in Section 36671 of the Act.

#### SECTION 11. CONFLICT OF INTEREST

- 11.1. For the duration of this Agreement, Corporation and its employees or agents will not act in a manner which may create District-related conflict of interest. In particular, Corporation's Board of Directors and the District's Executive Director must disclose any material financial interest they have in any matter coming before them for decision. Any Board member, Executive Director or employee shall refrain from participating in the decision-making process relating to any matter in which they may have a material financial interest or conflict of interest.
- 11.2. Nothing in this Section prohibits or precludes Corporation's officers, members, directors, agents, or employees from providing or presenting to other interested parties or entities, information or assistance related to the District's establishment or operations, or to the establishment or operation of other proposed or existing districts throughout the City, where such information or assistance does not create a conflict of interest or disclose confidential information. However, Corporation may not provide those services discussed in Section 2 of this Agreement to any other BID unless the bylaws of both Corporations are amended to permit the provision of such services.
- 11.3. Corporation, in carrying out the improvements and activities as set forth in the Management District Plan or the Planning Reports, should encourage local businesses within the boundaries of the District and within the City of Los Angeles to submit proposals for those services needed by Corporation to implement the improvements and activities. Board Members of Corporation and the Executive Director of the District shall not be precluded from submitting proposals for these services.

#### SECTION 12. ASSIGNMENT

- 12.1. Corporation covenants and agrees that it will not assign or transfer its rights, including the right to payment, under this Agreement, either in whole or in part, without first obtaining the written consent of City, which consent may be granted or denied at the sole and absolute discretion of City.
- 12.2. Any attempt by Corporation to assign or transfer its rights or obligations without such prior written consent shall be null and void and may, at the option of City, automatically terminate this Agreement.

#### SECTION 13. GENERAL FUND NOT LIABLE

- 13.1. Neither the General Fund of City, nor any other fund, revenue source or monies whatsoever of City, except for the actual collected District Assessment net revenue, shall be liable for payment of any obligations arising from this Agreement. Said obligations are not a debt of City, nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or

upon its income, receipts or revenues.

- 13.2. This Agreement embodies all of Corporation's reimbursement rights and no further note or other document shall be required to be executed by City.

#### SECTION 14. CORPORATION NOT AGENT OF CITY

Neither Corporation or any of Corporation's employees, agents, representatives, or subcontractors are or shall be considered to be agents of City, nor shall Corporation be considered a legislative body, relative to the performance of Corporation's obligations under this Agreement or for any other purpose.

#### SECTION 15. TERMINATION

- 15.1. City shall have the right to terminate this Agreement for cause pursuant to the terms of this paragraph. If Corporation fails to perform any of the provisions of this Agreement or so fails to make progress so as to endanger timely performance of this Agreement, City may give Corporation written notice Pursuant to Section 9 of this Agreement of such default. "Cause" shall be defined as "uncured default" under the Agreement. Corporation shall thereafter have thirty (30) days to cure such default. The City Clerk retains the right to grant an extension of time should such be determined, at the City Clerk's discretion, to be reasonably necessary to allow an acceptable cure. If Corporation is unable to cure the problem during the time frame established by the City Clerk, but not less than thirty (30) days, City may immediately terminate this Agreement. Termination shall not impair City's right to audit the books and records of Corporation with respect to all monies expended hereunder, or prejudice or otherwise diminish the rights of City to claim and recover monies expended for other than allowable costs.
- 15.2. Notwithstanding the foregoing, City shall also have the right to suspend this Agreement immediately with written notice to the Corporation in the event City determines that misappropriation of funds, malfeasance, or other violations of law have occurred in connection with the management of the District. City retains the right to immediately commence disestablishment proceedings in accordance with Streets and Highways Code Section 36670, which states in pertinent part that "[a]ny district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council... [i]f the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment." Cal Sts & Hy Code § 36670(1)(A). In addition, City may seek all other available appropriate remedies pursuant to law. Corporation will have 10 days to respond in writing to City's notice of suspension and begin a dispute resolution process.
- 15.3. Further notwithstanding the foregoing, if Corporation ceases to be a non-profit or if a federal or state proceeding for relief of debtors is undertaken by or against Corporation, or if Corporation makes an assignment for the benefit of creditors, then City may immediately terminate this Agreement.
- 15.4. In the event City terminates this Agreement as provided in this section, City may procure upon such terms and in such manner as City may deem appropriate, services similar in scope and level of effort to those terminated, and Corporation shall be liable to City for all its costs and damages, including, but not limited to, any excess costs for such services.
- 15.5. All documents and materials produced or procured by Corporation pursuant to its performance

under this Agreement, including the Management District Plan, the Ordinance, or the Act shall become City property upon date of such termination.

- 15.6. The rights and remedies of this Agreement are not exclusive and are in addition to any other rights or remedies provided by law or under this Agreement.

#### SECTION 16. BROWN ACT AND PUBLIC RECORDS ACT

- 16.1. The Board of Directors of Corporation is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose.
- 16.2. Notwithstanding Section 16.1 above, the Board of Directors of Corporation, when hearing, discussing, deliberating, and taking actions on matters within the subject matter of the District or that are covered under this Agreement, will comply with the provisions of the Ralph M. Brown Act (Chapter 9, commencing with Section 54950 of Part 1 of Division 2 of Title 5 of the Government Code).
- 16.3. Notwithstanding Section 16.1 above, Corporation and the Board of Directors are also subject to and must comply with the California Public Records Act (Chapter 3.5, commencing with Section 6250 of Division 7 of Title 1 of the Government Code).

#### SECTION 17. SEVERABILITY

If any part, term or provision of this Agreement shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Agreement, the validity of the remaining parts, terms or provisions of the Agreement shall not be affected thereby.

#### SECTION 18. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles or subtitles appearing herein have been inserted for convenience and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Agreement shall be construed according to its fair meaning and not strictly for or against the City or the Corporation. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

#### SECTION 19. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be enforced and interpreted under the laws of the State of California. Corporation shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

#### SECTION 20. TIME OF EFFECTIVENESS

Unless otherwise provided, this Agreement shall take effect when all of the following events have occurred:

- A. This Agreement has been signed on behalf of the Corporation by the person or



persons authorized to bind the Corporation hereto;

- B. This Agreement has been approved by the City's Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Agreement as to form;
- D. This Agreement has been signed on behalf of the City by the person designated to so sign by the City's Council or by the board, officer or employee authorized to enter into this Agreement.

#### SECTION 21. INTEGRATED CONTRACT

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Agreements or understandings, whether written or oral, relating thereto. This Agreement may be amended only as provided for in Section 22 hereof.

#### SECTION 22. AMENDMENT

All amendments hereto shall be in writing and signed by the persons authorized to bind the parties thereto.

#### SECTION 23. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires, floods; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

#### SECTION 24. WAIVER

A waiver of a default of any part, term or provision of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

#### SECTION 25. INDEPENDENT CONTRACTOR

The Corporation is acting hereunder as an independent contractor and not as an agent or employee of the City. The Corporation shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

#### SECTION 26. PERMITS

The Corporation and its officers, agents and employees shall obtain and maintain all licenses,

permits, certifications and other documents necessary for the Corporation's performance hereunder and shall pay any fees required therefore. Corporation certifies to immediately notify the City of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

#### SECTION 27. NONDISCRIMINATION AND AFFIRMATIVE ACTION

The Corporation shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Corporation shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. The Corporation shall comply with the provisions of the Los Angeles Administrative Code Sections 10.8 through 10.13, to the extent applicable hereto. The Corporation shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by said Office. Any subcontract entered into by the Corporation relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph. Failure of the Corporation to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject the Corporation to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Corporation's Agreement with the City.

#### SECTION 28. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

The Corporation represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, sections 21.00 and following, of the Los Angeles Municipal Code). For the term covered by this Agreement, the Corporation shall maintain, or obtain as necessary, all such Certificates required of it under said ordinance and shall not allow any such Certificate to be revoked or suspended.

#### SECTION 29. BONDS

Duplicate copies of all bonds which may be required hereunder shall conform to City requirements established by Charter, ordinance or policy and shall be filed with the Office of the City Attorney for its review in accordance with Los Angeles Administrative Code Sections 11.47 through 11.5.

#### SECTION 30. INDEMNIFICATION

- 30.1 INDEMNIFICATION OF CORPORATION BY CITY. City undertakes and agrees to defend, indemnify, and hold harmless Corporation and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Corporation's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising from the active negligence or willful misconduct incident to the performance of this Agreement by the City or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of this Agreement.

30.2 INDEMNIFICATION OF CITY BY CORPORATION. Corporation undertakes and agrees to defend, indemnify, and hold harmless City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Corporation's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner incident to the performance of this Agreement by the Corporation or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of this Agreement.

#### SECTION 31. AMERICANS WITH DISABILITIES ACT

Corporation hereby certifies that it will comply with the Americans with Disabilities Act 42, U.S.C. Section 12101 et seq., and its implementing regulations. The Corporation will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. Corporation will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by Corporation, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

#### SECTION 32. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this Agreement is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, which requires Corporation to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Corporation's fitness and ability to continue performing the Agreement. In accordance with the provisions of this Ordinance, by signing this Agreement, Corporation pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Agreement, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. The Corporation further agrees to: 1) notify the awarding authority within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Corporation is not in compliance with all applicable federal, state and local laws in performance of this Agreement; 2) notify the awarding authority within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the Corporation has violated the provisions of Section 10.40.3(a) of the Ordinance; 3) ensure that its subcontractor(s), as defined in the Ordinance, submit a Pledge of Compliance to awarding authorities; and 4) ensure that its subcontractor(s), as defined in the Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify Awarding Authorities within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Ordinance in performance of the subcontract.

#### SECTION 33. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. Corporation certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the

affidavit may result in termination of this Contract.

SECTION 34. WARRANTY AND RESPONSIBILITY OF CORPORATION

Corporation warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within Corporation's profession, doing the same or similar work under the same or similar circumstances.

SECTION 35. SIGNATURE AUTHORITY

The City Clerk of the City of Los Angeles and the Chairman of the Board, President, or Vice President and Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer of Corporation declare that they are authorized to execute this Agreement on behalf of City and Corporation.

SECTION 36. STANDARD PROVISIONS FOR CITY CONTRACTS

Contractor agrees to comply with the Standard Provisions for City Contracts (Rev. 03/09), attached hereto as Appendix A and made a part hereof. In the event of any inconsistency between the provisions in the body of this Agreement and the attachments, the provisions in the body of this Agreement take precedence, followed by the Standard Provisions for City Contracts (Appendix A).

(Signature page follows)


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IN WITNESS WHEREOF, this Agreement is duly executed by THE CITY OF LOS ANGELES and the CENTRAL HOLLYWOOD COALITION for administration of the Sunset and Vine Business Improvement District on behalf of the parties to this Agreement.

CITY:  
CITY OF LOS ANGELES, a municipal corporation, acting by and through its Office of the City Clerk

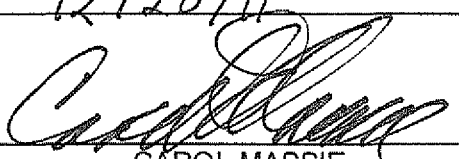
By:   
JUNE LAGMAY  
City Clerk

Date: 1/20/2012

CORPORATION:  
CENTRAL HOLLYWOOD COALITION  
a California non-profit corporation

By:   
MICHAEL POGORZELSKI  
Its: President

Date: 12/20/11

By:   
CAROL MASSIE  
Its: Secretary

Date: 12/30/11

APPROVED AS TO FORM:  
CARMEN A. TRUTANICH, City Attorney

By:   
Deputy City Attorney

Date: 1-12-12



ATTESTATION:  
JUNE LAGMAY, City Clerk

By:   
Deputy

Date: 01-20-2012

C-120055

Council File No. 11-1177

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# **MANAGEMENT DISTRICT PLAN**

for the renewal of the

Sunset & Vine  
Property and Business Improvement District

Prepared pursuant to the State of California  
Property and Business Improvement District Law of 1994  
and Article XIII D of the California Constitution  
to renew a property and business improvement district (PBID)  
in Hollywood, California for the period 2012 – 2018, by the  
Sunset & Vine Business Improvement District  
Renewal Committee

June 24, 2011  
Draft #10

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CITY OF HOLLYWOOD  
CITY CLERK'S OFFICE

Sunset & Vine  
Management District Plan  
2012 – 2018

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*Appendix A:* Engineer's Report Prepared by Willdan Financial

*Appendix B:* Public Parcel List



## I. EXECUTIVE SUMMARY

### PETITION FOR THE ORGANIZATION OF THE SUNSET & VINE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT WITHIN THE CITY AND COUNTY OF LOS ANGELES

**Introduction:** As a result of the efforts of the Sunset & Vine PBID Renewal Steering Committee, this Management District Plan is presented for consideration by the parcel owners within the District to seek their support for the organization of said District in accordance with the provisions of the Property and Business Improvement District Law of 1994, Streets and Highways Code Section 36600 *et. seq.*, hereinafter referred to as "State Law." This is the Management District Plan required by Section 36622 of the Streets and Highways Code, and is proposed to improve and convey special benefits to the individually assessed parcels located within the boundaries of the Sunset & Vine Business Improvement District.

**Name:** The name of the proposed district shall be the Sunset & Vine Property and Business Improvement District, hereinafter referred to as the "District."

**Location:** The proposed District is located in the Hollywood community in the City of Los Angeles. The boundaries of the proposed District are expanded slightly from the current District. Generally, the District spans Sunset Boulevard bounded by the 101 Freeway on the east to Seward Avenue on the west. The District's north and south boundaries extend from Sunset Boulevard, reaching as far north as Selma (which borders the Hollywood Entertainment District) and as far south as Santa Monica Boulevard (which borders the Hollywood Media District). A map of the proposed boundaries and expansion areas is appended to the Executive Summary. A detailed map outlining the north and south boundaries, and delineating areas of expansion from the current District, is included within the Executive Summary (page 6).

**History:** The District has been in place since October 11, 2006, when the District was established by the Los Angeles City Council. That District (currently in place), expires December 31, 2011. This proposed Management District Plan contemplates a slightly expanded District for the period 2012 – 2018.

**Services:** The District will fund improvements and activities authorized under the Law. There are five basic categories of special benefit services that will be funded with this assessment district:

1. Safety and Security
2. Maintenance, Streetscape and Beautification
3. Marketing and Consulting
4. District Management, Policy Development and Administration
5. Contingency/City Fees/Reserve for Non-pay

The goal of all services outlined in this Management District Plan are specifically intended to benefit individually assessed parcels within the boundaries of this District through increased

**Sunset & Vine PBID  
Management Plan  
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commerce, business attraction and retention, increased property rental income, and through enhanced overall safety and image.

Please refer to Section VI for a detailed description of the services to be provided.

**City Services:** The services, facilities and improvements to be provided by the District are supplemental in nature and are not intended to duplicate or supplant the services, facilities and improvements provided by the City of Los Angeles within the District boundaries. The District is being established to provide enhanced or otherwise unavailable services, facilities and improvements within the boundaries of the District.

**Budget:** The proposed first year budget for the District is \$1,429,675. The detailed District budget is included in Section VI of this Plan.

**Method of Financing:** The basis of funding shall be through special benefit assessments levied on individually assessed parcels that will specifically benefit from District services. The State Law and State Constitution Article XIII D require that special assessments be levied according to the special benefit each parcel receives from the improvements. In order to match assessment rates to benefits, three zones of benefit have been created within the proposed District. The zones of benefit have been created due to the different type and frequency of special benefits that will be delivered to each of the respective areas.

Linear street frontage will comprise approximately 50% percent of the assessment revenue.

Building area will comprise approximately 25% percent of the assessment revenue.

Land area will comprise approximately 25% percent of the assessment revenue.

The assessment formula, zones of benefit and methodology are described more fully in the Engineer's Report, which is appended to this document. However, for the first year, the maximum allowable rates will be as follows:

<b>Applied Rates per Linear Ft or Sq. Ft.</b>	<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>
<b>Street Frontage</b>	<b>21.004480</b>	<b>13.475375</b>	<b>10.853992</b>
<b>Lot Size (Rate per Sq. Ft.)</b>	<b>0.079377</b>	<b>0.068376</b>	<b>0.038986</b>
<b>Building/Structure Size (Rate per Sq. Ft.)</b>	<b>0.062182</b>	<b>0.058952</b>	<b>0.034068</b>

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**Adjustments of Assessment Formula:** Subject to a decision by the Owners Association, the assessment rate applied to each of the parcel dimensions (front footage, building area, land area, alley frontage) may be adjusted annually to reflect the Los Angeles-Riverside-Orange County area Consumer Price Index for All Urban Consumers (CPI-U) at a rate not to exceed three percent (3%).

Further, as a result of continued development, the District may experience the addition or subtraction of assessable street frontage, land area or building area for individually assessed parcels included and assessed within the District boundaries. The modification of parcel improvements assessed within the District may result in an increase or decrease in the amount of total assessment for these parcels. In future years, the assessments for the special benefits bestowed upon the included District parcels may change in accordance with the assessment methodology formula listed in this Management District Plan and Engineer's Report, provided the assessment formula does not increase, other than through a CPI-U adjustment, mentioned above. If the assessment formula changes, then a Proposition 218 election will be required to approve the formula modification.

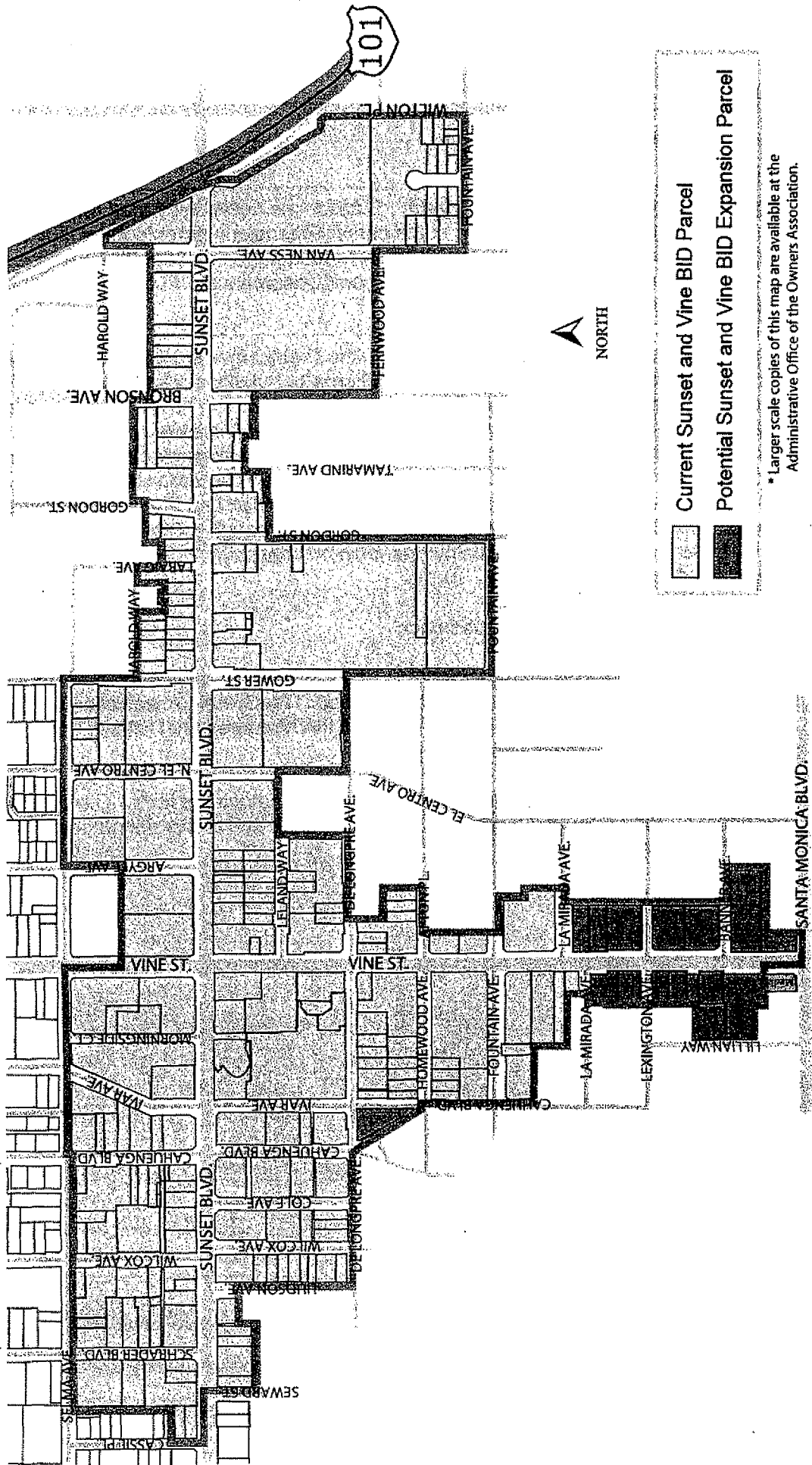
**Bonds:** The District will not issue bonds.

**District Governance and Management:** The City of Los Angeles will enter into a contract with an Owners Association to manage the District. The Owners Association will review District budgets and policies annually, within the limits of the Management District Plan. Annual and quarterly reports will be filed with the City.

**Duration:** As required by State Law, the District will have a set term. The District's term will be January 1, 2012 through December 31, 2018. At the end of this period, the District may be renewed pursuant to State Law.

# Executive Summary Map

## Sunset and Vine Business Improvement District Boundaries 2012-2018 (Seven-Year Renewal)



## II. FORMAL BOUNDARIES

### Boundary Description

***Instructions: Please utilize the attached map (Boundary Description Map and Reference Points) as a guide. Reference points are connected to Assessor Parcel Numbers (APNs) to assist in navigating the map. Parcel addresses are provided as an assist, but may not formally represent a particular property when multiple individually assessed parcels are involved.***

The District includes all parcels within the boundaries formed by the following description.

Starting at YMCA parcel 5547-018-029 on Selma Avenue just east of Cassil Place [① 6600 Selma], proceed east to the center line of Gower Street, omitting the parcel 5546-026-035 that fronts Selma between Vine and Argyle [② 1540 Vine Street] because it is included in the Hollywood Entertainment District to the north.

Proceed south along the center line of Gower Street to the center line of Harold Way. Proceed east along Harold Way to LaBaig Avenue, excluding the following parcels: 5545-008-010, 5545-008-011, 5545-008-012. [③ 6056 Harold Way; ④ 6062 Harold Way; ⑤ 6066 Harold Way].

Proceed south on LaBaig Avenue to the northern property line of 5545-007-029 [⑥ 6019 Sunset Blvd.]. Proceed east along the northern property lines crossing over Gordon Street, Bronson Avenue and Van Ness Avenue to the western edge of the 101 Freeway.

Proceed south, following the natural boundary of the 101 Freeway to the centerline of Wilton Place. Proceed south along Wilton Place to the center line of Fountain Avenue. Proceed west along Fountain Avenue, along the southern boundary of the Helen Bernstein High School to the center line of Van Ness Avenue. Proceed north along Van Ness Avenue to the center line of Fernwood Avenue, which represents the southern boundary of Sunset Bronson Studios. Proceed along the southern boundary of Sunset Bronson Studios to the center line of Bronson Avenue. Proceed north along Bronson to the southern boundary of 5545-015-003 [⑦ 1463 ½ Bronson Avenue]. Proceed west along the southern property line of 1463 ½ Bronson until the southern boundary of 5545-015-048 [⑧ 1468 Tamarind Avenue] to the center line of Tamarind Avenue. Proceed south on Tamarind Avenue to the southern boundary of 5545-014-006 [⑨ 1459 Tamarind Avenue]. Proceed west along the southern boundary of 5545-014-007 [⑩ 1456 Gordon Street] to the center line of Gordon Street.

Proceed south along Gordon Street to the center line of Fountain Avenue, which represent the southern boundary of Sunset Gower Studios. Proceed west along Fountain Avenue to the center line of Gower Street. Proceed north along the center line of Gower Street to the center

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Management Plan  
2012 – 2018**

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line of DeLongpre Avenue. Proceed west along the center line of DeLongpre Avenue to the center line of El Centro Avenue. Proceed north along the center line of El Centro Avenue to the center line of Leland Way. Proceed west along the center line of Leland Way to the eastern boundary of the Alta Hollywood Hospital 5546-023-048 [⑪ 6228 Leland Way]. Proceed south along the eastern boundary of the Alta Hollywood Hospital to the center line of DeLongpre Avenue. Proceed west along DeLongpre to the eastern boundary of 5546-022-030 [⑫ 1330 Vine Street]. Continue south along the eastern property line of 1330 Vine Street until the northern property line of 5546-022-019 [⑬ 6255 Afton Place]. Proceed east along northern boundary line until the eastern property line 5546-022-021 [⑭ 6245 Afton Place].

Continue south along the eastern property line until the center line of Afton Place. Proceed west along the center line of Afton Place. Proceed south along the eastern property line of 5546-020-012 [⑮ 1320 Vine Street] continuing south across Fountain Avenue, La Mirada Avenue, Lexington Avenue and Banner Avenue to the center line of Santa Monica Blvd.

Proceed west along Santa Monica Blvd to the center line of Vine Street. Proceed north along the western property lines of each commercial property adjacent to Vine Street Commercial Corridor starting with 5533-007-025 [⑯ 1123 Vine Street] across Lexington Avenue, La Mirada Avenue to 5533-005-001 [⑰ 1241 Vine Street]. Proceed west along the southern boundary of 5533-005-056 [⑱ 6356 Fountain] to the center line of Cahuenga Blvd. Proceed north along Cahuenga to the center line of DeLongpre Avenue.

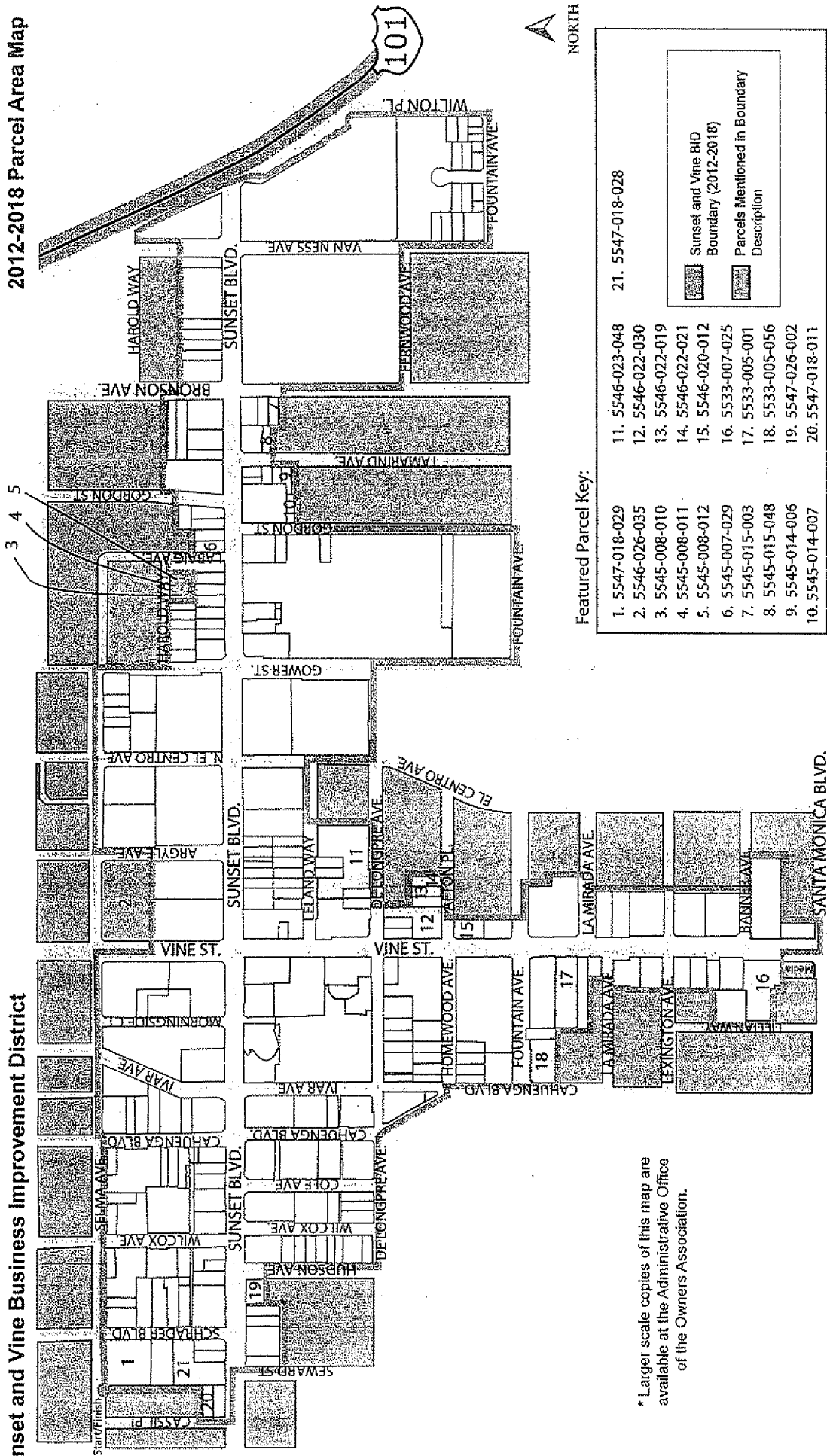
Proceed west along the center line of DeLongpre Avenue to the center line of Hudson Avenue. Proceed north along the center line of Hudson Avenue to the southern property line of 5547-026-002 [⑲ 6500 Sunset Blvd].

Proceed west along the southern property lines of 6500 Sunset to the center line of Seward Street. Proceed north on Seward Street to the center line of Sunset Blvd. Continue west along the center line of Sunset Blvd to the center line of Cassil Place. Continue north along the center line of Cassil Place to the northern property line of 5547-018-011 [⑳ 1506 Cassil Place]. Proceed east along the northern property line until the western property line of 5547-018-028 [㉑ 6565 Sunset Blvd]. From there, proceed north to the western property line of the YMCA.

# Boundary Description Map and Reference Points

## Sunset and Vine Business Improvement District

## 2012-2018 Parcel Area Map



\* Larger scale copies of this map are available at the Administrative Office of the Owners Association.

### Boundary Rationale

**Rationale for core business zone:** The District is created to support the core commercial zone that emanates east and west from the intersection of Sunset and Vine. As the District extends southward along Vine Street, the dense commercial zone surrounding the Sunset and Vine intersection gives way to a commercial corridor.

**Eastern Boundary:** The eastern boundary of the proposed PBID at the Hollywood Freeway (US 101) was chosen because the freeway forms a physical division on Sunset Boulevard, and is generally recognized as a neighborhood boundary. As the freeway cuts toward the southeast, Wilton Place, as a key north-south vehicular thoroughfare in Hollywood continues to reinforce this neighborhood boundary as the properties to the east are non-pedestrian serving parcels. No services will be provided in connection with the proposed District to the east of the District's Boundaries.

**Western Boundary:** The western boundary of the District was selected to end at the center line of the two north south streets, Cassil Place and Seward Street. These streets represent a natural demarcation between the pedestrian-oriented commercial nature of Sunset Boulevard to the east and the nature of the parcel uses to the west that do not rely upon pedestrian traffic nor open their business or organizations to the public entering from the sidewalks. No services will be provided in connection with the proposed District to the west of the District's boundaries; and, as explained above, parcels outside of the District will not benefit from the District's programs.

**Southern Boundary:** Along Sunset Boulevard, the Southern boundary of the District includes commercial uses which, to keep boundary lines contiguous, extend one block south of Sunset Boulevard with the following exceptions:

- Reference Point # 1: Sunset Boulevard, from Seward Street to Hudson Avenue, is one parcel deep, along this southern stretch of the Boulevard. Parcels south of the boundary line are residential and excluded from the District.
- Reference Point #2: Sunset Boulevard, from Gordon Street to Bronson Avenue, the boundary was chosen because parcels inside the boundary front Sunset Boulevard and are of a commercial land use, or serve as parking for those frontage parcels, while parcels to the south are in residential use and a part of the cluster of residential uses to the south. No services will be provided south of the District's boundaries, and, as explained above, residential parcels outside of the District will not benefit from the District's programs

The District is bisected by Vine Street and the southernmost boundary is located at the intersection of Vine Street and Santa Monica Blvd, with the exception of the parcel at the NW corner of Santa Monica and Vine (5533-007-032) which is currently included within the Media



**Sunset & Vine PBID  
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District Property Business Improvement District. Extending north along Vine Street, parcels along Vine extend one commercial parcel deep with the following exceptions:

- **Reference Point #3:** Parcels west of Vine Street, fronting Fountain Avenue (block 5533-005) are commercial uses while parcels to the southwest have no direct Vine Street access and are in residential use. These residential uses range from small one-story residential units to small apartments. No services will be provided in connection with the proposed District to the west of the District's boundaries, and, as explained above, residential parcels outside of the District will not benefit from the District's programs.
- **Reference Point #4:** The boundary along the west side of Vine between Fountain and DeLongpre (blocks 5546-019 and 5546-016 and triangle 5546-017-006 and 027) will incorporate all commercial parcels located within the block extending to the center line of Cahuenga on the west. No services will be provided to the west of the boundary as that area transitions into a hub for civic-center type functions that are not part of the commercial business district.
- **Reference Point #5:** East of Vine Street (between Afton Place and De Longpre Avenue) the boundary in block 5546-022 was chosen because parcels inside the boundary front Vine Street or are in commercial use while parcels to the east have no direct Vine Street access, are in residential use and are part of the cluster of residential uses to the east. No services will be provided east of the District's Boundaries, and, as explained above, residential parcels outside of the District will not benefit from the District's programs.
- **Reference Point #6:** East of Vine, the boundary in block 5546-023 was chosen because parcels inside the boundary front Vine Street or are commercial, hospital, or medical office uses. The parcel located at the SW corner of Leland Way and El Centro (5546-023-001 thru 005, 008 thru 012) is a residential use and not part of the commercial district. Residential parcels outside of the District will not benefit from the District's programs.

**Northern Boundary:** From Cassil Place to Gower Street, the boundary of the PBID is the Southern boundary of the Hollywood Entertainment District, a PBID that provides similar services to those proposed for the District. Section 36622(c) of the Law prohibits a PBID from including territory that is also included within the boundaries of another PBID. Services will not be provided by the proposed District to parcels within the Hollywood Entertainment District. All parcels are included except for multi-family parcels along Cassil which have not been part of the District since the District was first created in 2007 (parcels 5547-018-001 thru 005, 009 thru 010, and 031). Further, there is one parcel at the SE corner of Vine and Selma (5546-026-035) which is included in the Hollywood Entertainment District

Moving east from Gower Street along Sunset Boulevard, the boundaries incorporate approximately one property line or parcel north until reaching the eastern boundary of the 101 Freeway. These boundaries reflect the distinction between the commercial uses that front Sunset Boulevard as juxtaposed against the residential neighborhood that characterizes the parcels north of the commercial strip.

Between Gower Street and Labaig Avenue, the boundary in block 5545-008 was chosen because parcels inside the boundary front Sunset Boulevard and are of a commercial land use, while parcels to the North of the boundary are developed with residential structures that are part of the cluster of residential uses to the North. Parcels 5545-008-010, 011 and 012 are in residential use and excluded from the District. No services will be provided north of the District's boundaries, and, as explained above, residential parcels outside of the District will not benefit from the District's programs.

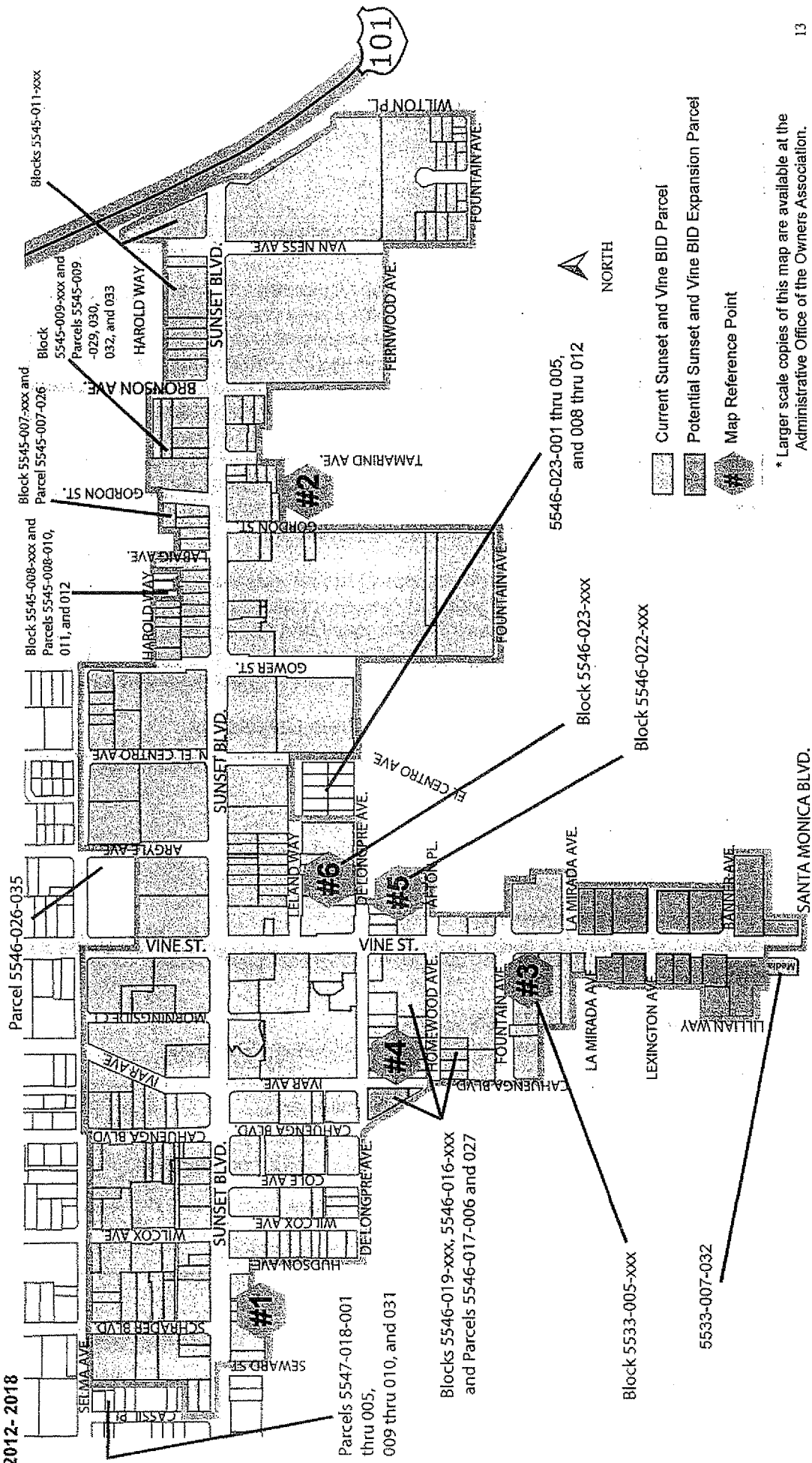
East of La Baig Avenue, the boundary in block 5545-007 was chosen because parcels inside the boundary front Sunset Boulevard and are of a commercial land use, while parcels to the north of the boundary are developed with residential structures that are part of the cluster of residential uses to the north. Parcel 5545-007-026 is a parking lot that supports Sunset Boulevard frontage commercial uses. No services will be provided north of the District's Boundaries, and, as explained above, residential parcels outside of the District will not benefit from the District's programs

East of Gordon Street, the boundary in block 5545-009 was chosen because parcels inside the boundary front Sunset Boulevard and are of a commercial land use, while parcels to the north of the boundary are developed with residential structures that are part of the cluster of residential uses to the north. Parcels 5545-009-029, 030, 032 and 033, inside the boundary are used as a single fenced parking lot that serves the commercial parcels on Sunset Boulevard. No services will be provided north of the District's Boundaries, and, as explained above, residential parcels outside of the District will not benefit from the District's programs.

East of Bronson Avenue, the boundary in block 5545-011 was chosen because parcels inside the boundary front Sunset Boulevard and are of a commercial land use, while parcels to the North of the boundary are developed with residential structures that are part of the cluster of residential uses to the north. No services will be provided north of the District's boundaries, and, as explained above, residential parcels outside of the District will not benefit from the District's programs.

## Boundary Rationale Map and Reference Points

### Sunset and Vine Business Improvement District 2012-2018



\* Larger scale copies of this map are available at the Administrative Office of the Owners Association.

### III. ASSESSMENT METHODOLOGY

Assessment law provides that the expenses of a business improvement district shall be allocated in proportion to the benefit received by each parcel. In addition, Article XIID of the California Constitution requires that a parcel's assessment may not exceed the reasonable cost of proportional special benefit conferred on that parcel. Article XIID provides that only special benefits are assessable and that a special benefit is a particular and distinct benefit over and above general benefits conferred on real property or the public at large. The assessment methodology outlined in the Engineer's Report, appended to this document, represents the Steering Committee's and Engineer's determination, honed by several years of experience delivering special services to District parcel owners, of a fair and equitable system of apportioning assessments, linked to a parcel's lot size, building area and front linear footage, in relation to the special benefits received by parcel owners.

The cost of providing the authorized services to the individually assessed parcels within the boundaries of the District will be funded by the levy of assessments on those parcels, and will be apportioned to them on the basis of their special benefit received, as outlined in the Engineer's Report. For a complete and detailed description of the special benefit rationale, and the assessment formula, please refer to the Engineer's Report included as Appendix A.

#### Sample Assessment Calculation

Each parcel's proportional special benefit and individual assessment obligation is determined by four (4) factors:

- Zone Designation
- Street Frontage
- Building Square Footage
- Lot Size (Square Footage)

The following provides a sample calculation for a parcel within Zone 1 with the following parcel characteristics:

- Lot size — 2,500 square feet; and,
- Building/structural square footage — 6,000 square feet; and,
- Service Level 1 Street Frontage — 250 linear feet; and,
- Service Level 3 Street Frontage — 100 linear feet.

The following shows the calculation of this parcel's annual assessment:

2,500 SqFt x \$0.079377	(Zone 1 Lot Rate per SqFt)	= \$198.44
6,000 SqFt x \$0.062182	(Zone 1 Building/Structure Rate per SqFt)	= \$373.09
250 LnFt x \$21.004480	(Zone 1 Street Frontage Rate per Ft)	= \$5,251.12
100 LnFt x \$10.853992	(Zone 3 Street Frontage Rate per Ft)	= \$1,085.40

**Total Annual Assessment \$6,908.05**

### **Disestablishment**

State law provides for the disestablishment of a Business Improvement District pursuant to an annual review process. Each year that the District is in existence, there will be a 30-day period during which the parcel owners will have the opportunity to request disestablishment of the District. This 30-day period begins each year on the anniversary day that the District was first established by City Council.

Within that 30-day period, if a written petition is submitted by the owners of real property who pay 50 percent (50%) or more of the assessments levied, the Business Improvement District may be disestablished. The City Council will hold a public hearing on disestablishing the District prior to actually doing so.

### **Termination of District Services**

In the event the District ends, as a result of the disestablishment process, or through its natural expiration in 2018, funds will be set aside in the final year of its operation to remove equipment, street furniture, trash receptacles and other elements for which there would no longer be a caretaker. The purpose is to avoid creating a burden upon the City for maintenance of District-financed elements in the public-right-of-way.

#### IV. TIME AND MANNER OF COLLECTING ASSESSMENTS

As provided by State law, the District assessment will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. The Los Angeles City Clerk's office will bill directly any parcel owners whose special assessment does not appear on the tax rolls.

The assessments shall be collected at the same time and in the same manner as for the ad valorem property tax paid to the County of Los Angeles. These assessments shall provide for the same lien priority and penalties for delinquent payment as is provided for the ad valorem property tax.

However, assessments may be billed directly by the City for the first fiscal year of operation and then by the County for all subsequent years. Any delinquent assessments owed for the first year will be added to the property tax roll for the following year. The "parcel owner" means any person shown as the owner/taxpayer on the last equalized assessment roll or otherwise known to be the owner/taxpayer by the City.

#### V. DISTRICT GOVERNANCE AND MANAGEMENT

Consistent with property business improvement district (PBID) legislation throughout the nation, California's "Property and Business Improvement District Law of 1994" establishes a District governance framework that allows parcel owners who pay assessments to determine how the assessments are used. This Management District Plan may be subject to changes if required by the state of California or the City of Los Angeles. Presently, the following components are required within a District's governing structure:

(A) **City Council:** Following the submission of petitions from parcel owners representing more than 50% of the assessments to be paid, several public hearings/meetings and the return of mail ballots documenting a majority, weighted by assessment, in favor of the assessment, the City Council may adopt an ordinance to establish the District. The District will have a seven-year life, and the first assessments for the 2012 calendar year will appear on the October, 2011 tax bill. The District will end in 2018, unless it is renewed by the parcel owners.

(B) **Management Organization:** To deliver day-to-day services, the City of Los Angeles will enter into a contract with a private sector management organization, referred to herein as the "Owners Association." The management organization implements the programs and its administrative functions relative to managing the District are financed by parcel assessments. If the management organization does not perform and provide a level of service that is acceptable to the City Council then the contract may be terminated and an alternative management organization can be selected.

## VI. PROGRAM AND BUDGET

The Steering Committee for BID Renewal worked on a proposed budget for the new District and relied upon the historical information gathered from managing the District dating back to its formation in 2007. The budget for the first year is established at \$1,429,675 and each year *may* be adjusted, subject to the direction of the Owners Association, to reflect annual changes in the Los Angeles-Riverside-Orange County area Consumer Price Index for all urban consumers (CPI-U), or 3%, whichever is less.

All of the improvements and activities detailed below are provided only within the boundaries of the District and provide special benefit solely to the individually assessed parcels within the proposed District.<sup>1</sup> Inasmuch as all services will be provided to the parcels within the District boundaries, and no services will be provided outside the District boundaries, any potential general benefits are intangible and not quantifiable.<sup>2</sup>

All benefits derived from the assessments outlined in the Management District Plan are for services directly benefitting the individually assessed parcels within this specialized District and support increased commerce, business attraction and retention, increased property rental income, and enhanced overall safety and image within this commercial core. All services, projects, promotions, security, maintenance, and professional and administration services are provided solely to parcels within the District to enhance the image and viability of parcels and businesses within the District boundaries and are designed only for the direct special benefit of the assessed commercially zoned parcels in the District. No services will be provided to non-assessed parcels outside the District boundaries.

### Budget Categories

The Budget and Program Summary, which appears at the end of this section (page 23), details the allocation of funds according to budget category. The Owners Association will be vested with the responsibility to enter into contracts with service providers and consultants, hire staff, and manage the day-to-day affairs of the District. The Owners Association will have the ability to make adjustments to the budget categories as the needs of the District so dictate, and in accordance to the terms and conditions outlined in the contract between the Owners Association and the City of Los Angeles.

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<sup>1</sup> A special benefit is a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute a special benefit.

<sup>2</sup> General benefits are not restricted to benefits conferred only on persons and property outside the assessment district, but can include benefits both conferred on real property located in the district or the public at large. "At large" means not limited to any particular person – means all members of the public -- including those who live, work and shop within the district – and not simply transient visitors. This decision includes an elaboration of general benefits to include "those who live, work, and shop within the district."

What follows is a general description of the types of services to be delivered according to each budget category:

**A. Safety and Security Services**

**General objective:** A safe District is a prerequisite to business vitality and economic growth for the District stakeholders. It is the intent of the District assessment payers to contribute to programs, services, initiatives, equipment (e.g., cameras, lighting, etc.) and organizations which promote safety and security that will benefit only those individual parcels within the boundaries of the District.

**Specific program and service components:** Resources will be earmarked to contract or hire a security team, which will patrol the entire District and will be responsible for coordinating the District's activities with the Hollywood Division of the Los Angeles Police Department (LAPD) and the City Attorney's office to deter crime, initiate citizen's arrests when necessary, warn and advise trespassers and panhandlers, and respond to pedestrian inquiries. The intent is to provide a level of security service and visibility above and beyond what the City is able to provide through its police services. The team may either be armed, or unarmed, depending upon the needs of the District, as defined by the Security Committee and the Board of Directors. Among other services, this budget item covers deployment of officers, office space, training, overtime, court pay, vehicles and homeless services outreach. Security services are available throughout the entire District equally on a "call for service" basis, but foot and vehicle patrols will provide differential levels of coverage to the three zones of benefit.

**B. Maintenance, Streetscape and Beautification**

**General Objective:** A clean, well maintained and attractive business District promotes safety, enhances the pedestrian experience for those taking advantage of businesses located within the District, and contributes to an improved business climate. It is the intent of the District assessment payers to contribute to programs, services, initiatives, equipment and organizations which promote the cleanliness, attractiveness and aesthetic character only for those individual parcels within the boundaries of the District.

**Specific program and service components:** Resources will be earmarked to contract with a maintenance vendor and/or hire staff who will provide services – street sweeping, sidewalk sweeping and pressure washing, Walk of Fame star polishing, gutter and storm drain cleaning, landscape services, tree trimming, graffiti removal and sticker removal, trash removal and related services only for those parcels within the boundaries of the District. The intent is to provide a consistent level of maintenance and cleaning that surpasses that which the City is able to provide.



Monies may be set aside each year to pay for special capital improvements, new street furniture (e.g., trash receptacles, benches, signage, planters), holiday decorations and similar improvements. These improvements will benefit only the assessment-paying parcels in the District by improving the aesthetics of the area which attracts business and customers. These are services and or repairs that are not otherwise provided by the City of Los Angeles.

### **C. Marketing and Consulting**

**General Objective:** To capitalize on the identity of the District in the heart of Hollywood, and to optimize public awareness of the District, and to communicate information to district stakeholders, it is important to undertake activities to promote the District as a whole and to support organizations which promote the District as a place to live, visit, shop, work, invest and be entertained with the intent to benefit individual parcels within the District.

**Specific Program and Service Components:** Resources may be earmarked to contract or hire professional consulting services to assist with communications or pressing issues that have an impact on the individual parcels in the District. The types of consulting services contemplated include: marketing, media relations, web design and hosting, event planning, public relations guidance, economic development, retail recruitment, grant writing, and business improvement district renewal (in the final two years of the District, 2017-18). The intent is to provide marketing and communications services that the City is unable to provide to this specific group of parcels.

Funds may be also utilized to match grant proceeds, or for "district branding" opportunities, such as pole banners, logos, and maps; promotional materials, including advertising, maps, visitors' guides, press releases; maintenance of District website; economic benchmarking research, and similar projects.

### **D. District Management, Policy and Administration:**

**General Objective:** A well-managed District optimizes the use of the assessment payer funds, through effective vendor selection and contract management, excellent communications with stakeholders, serving as a single voice representing the parcel owner interests, effective board and committee coordination and sound fiscal management. District management, representation of individual parcel owner interests and administration will only benefit the individual parcels within the District boundaries.

**Specific Program and Service Components:** Administrative funds are allocated to pay for the following items: office expenses, legal, telephone/internet access, accounting services, meeting expenses, travel, insurance (workers comp, general liability and directors/officers liability), dues/subscriptions, equipment/ furniture, rent, and database maintenance. Personnel expenses are

earmarked for staff persons, payroll taxes and benefits. The administrative office – in addition to coordinating all affairs of the Owners Association, and complying with all contractual obligations to the City of Los Angeles in the management of a District – also will serve as the “voice” of the parcel owner to the community, the media and government policymakers. The intent is to facilitate the administration of the District which provides a level of service above and beyond what the City is able to provide.

For example, staff liaison with the City on behalf of parcel owner interests on issues affecting the entire District may include, but not be limited to: municipal service levels; law enforcement and public safety; street, sidewalk and sanitation services; enforcement of existing municipal code; traffic congestion relief and related policies related to parking, valet parking, taxi and shuttle access; protection of rights of parcel owners to form and guide business improvement districts, and other related matters as determined by the Owners Association.

#### **E. Contingency/City Fees/Reserve:**

- **Contingency:** A non-earmarked reserve category has been designated to meet special needs arising each year related to security, maintenance, streetscape, special projects or marketing needs designed to benefit the individual parcels within the District. The special needs will be determined by the Owners Association, but, for example, might involve the placement of a new surveillance camera, the scheduling of additional pressure washing, or the one-time purchase of trash receptacles or planters.
- **City Fees:** Additionally, each year the District must pay administrative fees to the City of Los Angeles, which are estimated at less than two (2) percent of the assessment revenues.
- **Reserve for non-payment:** Because the assessments are collected as part of each parcel's property taxes, each year, taxes may not be paid by a small percentage of parcels creating a revenue shortfall for that fiscal year. A reserve fund has been established to offset these temporary revenue shortfalls. Eventually these delinquent assessments will accrue to the District, either at the time of property transfer (when all outstanding fees, taxes and assessments are collected) or upon the county of Los Angeles initiating a tax auction to recover delinquent taxes and assessments. If the funds are collected during the life-span of the District, they are included in operating capital. If they accrue after the District expires, they accrue to a Special Projects Account.

#### **Zones of Benefit**

The District will be divided into three zones. Certain services are provided to the entire District regardless of zone (e.g., emergency security response, graffiti abatement, administration, staff assistance, communications, homeless outreach, etc.) and are intended to specifically benefit

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only the individual parcels assessed within the boundaries of the District. Other services are able to be calibrated based upon level of service provided to individual parcels based upon their location in the District. The Engineer's Report provides a detailed description of how Zones of Benefit are determined.

Zone 1	<p>Zone 1 receives the highest level of security and maintenance services due to the intensity of pedestrian activity, commercial storefronts and business activities which generate trash, dirty the sidewalk, and elicit the most frequent calls for service.</p> <p>Includes those individually assessed parcels for which their primary street frontage location is Sunset Boulevard, from Cassil Place to Highway 101; and Vine Street, from Selma Avenue to Santa Monica Boulevard.</p> <p>Safety and security: Zone 1 streets serve as the main thoroughfare for security teams who patrol by vehicle, foot, bike or T-3. The greatest portion of patrol resources are dedicated to Zone 1. In addition, one video surveillance camera will be placed within Zone 1 which requires ongoing maintenance.</p> <p>Maintenance: Common areas within Zone 1 receive the highest level of maintenance services including: daily street sweeping; routine pressure washing (a minimum of ten washes per year); and regular porter service. Forty trash receptacles will be placed and serviced within this zone. Stars located along the portion of the Walk of Fame within Zone 1 will be polished at a minimum of one time per month.</p> <p>Marketing: District-branded pole banners will be placed most frequently in Zone 1. Communications, marketing and web resources will benefit Zone 1 parcels, regardless of whether they are publically or privately owned.</p>
Zone 2	<p>Zone 2 receives a moderate level of security and maintenance services as the streets are a mix of both multi-family residential buildings and commercial businesses that generate less pedestrian activity than Zone 1.</p> <p>Includes those individually assessed parcels for which their primary street frontage location is along Selma Avenue, from Cassil Place to Vine Street and from Argyle Avenue to North Gower Street; along Wilcox Avenue, south of Selma Avenue and north of Sunset Boulevard; and along North Cahuenga Boulevard, south of Selma Avenue and north of Homewood Avenue.</p> <p>Safety and security: Security teams will patrol Zone 2 by vehicle, foot, bike and T-3, but at a less intense frequency compared to Zone 1.</p> <p>Maintenance: Zone 2 common areas receive a moderate level of services including: daily street sweeping; regular pressure washing (a minimum of nine times per year); trash removal as needed from City-sponsored (Adopt-a-Basket) trash receptacles.</p> <p>Marketing: Communications, marketing and web resources will benefit Zone 2 parcels, regardless of whether they are publically or privately owned.</p>
Zone 3	<p>Zone 3 receives the lowest level of service due to low levels of pedestrian activity and fewer storefront entrances and commercial businesses facing the street.</p>

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	<p>Includes those individually assessed parcels for which their primary street frontage location is along Cassil Place; Seward Street; Schrader Boulevard; Hudson Avenue; Wilcox Avenue, south of Sunset Boulevard and north of De Longpre Avenue; Cole Place; Ivar Avenue; Morningside Court; Argyle Avenue; North El Centro Avenue; Gower Street; La Baig Avenue; Gordon Street; Tamarind Avenue; Bronson Avenue; Van Ness Avenue; Wilton Place; Harold Way; Leland Way; De Longpre Avenue; Homewood Avenue; Afton Place; Fountain Avenue; La Mirada Avenue; Lexington Avenue; Banner Avenue; and Santa Monica Boulevard.</p> <p>Safety and security: Minimal routine patrol resources are devoted to Zone 3.</p> <p>Maintenance: Zone 3 common areas receive the least amount of maintenance services. All streets are swept daily and sidewalks are pressure washed every other month.</p> <p>Marketing: Communications, marketing and web resources will benefit Zone 3 parcels, regardless of whether they are publically or privately owned.</p>
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**Funds Accumulated from Prior District Accounts**

Additionally, funds that have accrued at the end of the 2007-2011 Sunset & Vine Business Improvement District will be placed in a **Special Projects Account**. Accumulated interest, delinquent assessments and related penalty fees associated with the 2007-2011 District shall also accrue to this fund. The Owners Association can utilize this account to pay for one-time special expenses, capital improvements and infrastructure repairs solely intended to benefit the individual parcels within the boundaries of the 2007-2011 District. The special projects will conform to budget categories that appeared in the 2007 - 2011 District. The amount that will remain in reserve at the end of 2011 is not known at this date. However, it is estimated that the reserve at the end of the 2007-2011 District will be less than \$30,000.

**Dissolution or Renewal**

At the end of the seven-year period, if the District is not renewed, the funds shall be returned to the existing parcel owners subject to procedures outlined in state law and the City's contract with the Owners Association. The contract stipulates that if the District is discontinued, then the existing assets of the District shall become the property of the City and shall be used only (1) to pay the City any amount owed to it by the District and (2) to disburse the remaining assets to the owners of assessed parcels, apart from any expenses related to dissolving the District.

In the event the Sunset & Vine Business Improvement District ends, as a result of the disestablishment process, or through its natural expiration in 2018, funds will be set aside in the final year of its operation to remove equipment, street furniture, trash receptacles and other elements for which there would no longer be a caretaker. The purpose is to avoid creating a burden upon the City for maintenance of District-financed elements in the public-right-of-way.

**Budget and Program Summary - 2012**

<b><u>A. Safety and Security Services – 52%</u></b> Deployment of officers (armed and/or unarmed), office space, training, overtime and court pay, vehicles, homeless outreach activities, video surveillance cameras and maintenance and related services.	\$ 748,726
<b><u>B. Maintenance and Streetscape and Beautification - 28%</u></b> Daily service throughout the District including sidewalk pressure washing, street sweeping, trash and graffiti removal, storm drain cleaning, limited tree trimming and star polishing. Services are zone-specific. Also includes expenditures for ongoing maintenance of streetscape elements not maintained by City including trash receptacles, related sidewalk fixtures, and planters.	\$ 394,964
<b><u>C. Marketing and Consulting - 3%</u></b> Supports services and/or professional consulting to promote and/or improve the aesthetic character of the entire District; services may include media relations; event planning; promotional materials; pole banners and District branding programs; wayfinding signage, pedestrian amenities, website development and maintenance and research.	\$ 37,334
<b><u>D. District Mgmt. Policy and Administration - 12%</u></b> Provides for office expense, legal, accounting, telephone, insurance, equipment, technical support, travel, meals, meetings, etc. Includes staff, payroll taxes, benefits.	\$ 173,850
<b><u>E. Contingency/City Fees/Reserve for Non-Pay - 5%</u></b> Reserve set aside for special needs arising each year relating to security, maintenance, streetscape, special projects or marketing needs. Includes annual administrative fee to City of Los Angeles and reserve for "non pay" of assessments.	\$ 74,801
<b><u>District Budget Total</u></b>	<b>\$1,429,675</b>

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Sunset & Vine  
Seven-Year Budget Projection

I. Budget Item	2012	2013	2014	2015	2016	2017	2018
Safety and Security Services	\$748,726	\$771,188	\$794,324	\$818,154	\$842,699	\$867,980	\$894,019
Maintenance Streetscape & Beautification	\$394,964	\$406,813	\$419,017	\$431,588	\$444,536	\$457,872	\$471,608
Marketing and Consulting	\$37,334	\$38,454	\$39,608	\$40,796	\$42,020	\$43,281	\$44,579
District Management, Policy and Administration	\$173,850	\$179,066	\$184,438	\$189,971	\$195,670	\$201,540	\$207,586
Contingency/City Fees/Reserve/Non-pay	\$74,801	\$77,045	\$79,356	\$81,737	\$84,189	\$86,715	\$89,316
<b>TOTAL</b>	<b>\$1,429,675</b>	<b>\$1,472,566</b>	<b>\$1,516,743</b>	<b>\$1,562,246</b>	<b>\$1,609,114</b>	<b>\$1,657,388</b>	<b>\$1,707,108</b>

\* Assuming 3% Annual Increase

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Note: The District will endeavor to reduce and/or supplement budgeted expenditures through grants, donations, and prudent management practices. For the seven year term of the District, annual assessments may be adjusted by lesser of the annual increase in the Los Angeles-Riverside-Orange County area Consumer Price Index for All Urban Consumers (CPI-U) or three percent (3%) per year. Actual annual adjustments may range from zero percent (0%) to three percent (3%). The maximum assessment level is assumed above. Adjustments may differ from year to year depending on the service needs identified by the Owners Association.

The District Fiscal Year will be January 1 through December 31 of each calendar year. Contingency and cash flow reserve funds may be used in any fiscal year. Unexpended assessments or incomplete projects from one fiscal year may be carried forward and re-budgeted for subsequent fiscal years for any approved District purpose.

The budget may be further augmented as a result of continued development. The District may experience the addition or subtraction of assessable front footage, building area, parcel size and/or alley footage for parcels included and assessed within the District boundaries. Further, over the lifespan of this District, zone changes which impact parcels previously determined ineligible for assessment (i.e., certain residential parcels) and convert a parcel into a zoning designation eligible for assessment (i.e., to commercial) may also result in an increase in the assessment revenue and budget, provided those parcels fall within the boundaries of the District. The modification of parcel improvements assessed within the District may result in an increase or decrease in the amount of total assessment for these parcels. In future years, the assessments for the special benefits bestowed upon District parcels may change in accordance with the assessment methodology formula listed herein, provided the assessment formula does not increase, other than through a CPI adjustment, mentioned above.

**VII. ASSESSMENT ROLL  
SUNSET & VINE, 2012 - 2018**

A copy of the Assessment Roll is appended to the Engineer's Report in Appendix A



Appendix A  
Sunset and Vine BID Renewal  
Fiscal Year 2011/2011 Assessment Roll (Sorted by APN)

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5533-005-001	Zone 1	110	-	-	110	31,850	69,872	\$9,183.43
5533-005-002	Zone 1	55	-	-	55	15,965	17,278	\$3,496.88
5533-005-003	Zone 1	68	-	76	144	5,143	4,221	\$2,923.91
5533-005-051	Zone 1	140	-	340	480	47,590	33,362	\$12,483.06
5533-005-056	Zone 3	-	-	208	208	11,570	45,333	\$4,253.10
5533-005-057	Zone 3	-	-	150	150	18,520	7,100	\$2,592.00
5533-006-003	Zone 1	93	-	128	221	12,086	25,463	\$5,885.42
5533-006-029	Zone 1	115	-	115	230	13,675	12,898	\$5,551.23
5533-007-001	Zone 1	70	-	135	205	9,453	6,020	\$4,060.29
5533-007-002	Zone 1	70	-	-	70	9,460	9,760	\$2,828.12
5533-007-023	Zone 1	100	-	-	100	13,502	9,498	\$3,762.80
5533-007-025	Zone 1	160	-	-	160	33,503	19,214	\$7,214.85
5533-007-028	Zone 1	-	-	-	-	16,200	9,894	\$1,901.14
5533-007-033	Zone 1	55	-	-	55	6,876	10,340	\$2,344.01
5534-001-400	Zone 1	236	-	521	757	65,043	29,858	\$17,631.54
5534-002-001	Zone 1	68	-	198	266	13,525	23,298	\$6,099.68
5534-002-018	Zone 1	82	-	-	82	14,269	13,536	\$3,696.70
5534-002-023	Zone 1	141	-	184	325	27,237	13,475	\$7,958.65
5534-005-001	Zone 1	140	-	70	210	9,829	27,500	\$6,190.62
5534-005-024	Zone 3	125	-	340	465	42,505	20,156	\$8,659.69
5534-006-024	Zone 1	131	-	176	307	24,704	11,562	\$7,341.77
5534-006-025	Zone 3	131	-	176	307	24,339	2,102	\$5,682.38
5545-007-026	Zone 3	-	-	60	60	7,034	-	\$925.47
5545-007-027	Zone 1	50	-	-	50	7,609	7,600	\$2,126.78
5545-007-028	Zone 3	50	-	152	202	8,681	9,450	\$3,360.41
5545-007-029	Zone 1	55	-	134	189	7,370	3,604	\$3,418.79
5545-007-030	Zone 1	55	-	-	55	7,370	8,930	\$2,295.55
5545-008-002	Zone 1	50	-	-	50	6,706	29,035	\$3,387.97
5545-008-003	Zone 1	50	-	-	50	6,705	150	\$1,591.77
5545-008-004	Zone 1	55	-	-	55	7,376	-	\$1,740.73
5545-008-005	Zone 1	55	-	-	55	7,376	-	\$1,740.73
5545-008-006	Zone 1	55	-	-	55	8,277	9,200	\$2,384.32
5545-008-007	Zone 1	55	-	-	55	7,375	18,144	\$2,868.89
5545-008-013	Zone 3	-	-	45	45	5,403	-	\$699.07
5545-008-014	Zone 3	-	-	45	45	5,403	-	\$699.07
5545-008-015	Zone 3	-	-	45	45	5,402	-	\$699.03

Appendix A  
Sunset and Vine BiD Renewal  
Fiscal Year 2011/2011 Assessment Roll (Sorted by APN)

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5545-008-040	Zone 1	55	-	309	364	13,980	11,261	\$6,319.05
5545-008-041	Zone 3	-	-	175	175	6,605	8,417	\$2,443.70
5545-008-043	Zone 3	-	-	100	100	12,001	10,000	\$1,893.95
5545-008-400	Zone 1	91	-	129	220	12,632	8,560	\$4,846.54
5545-009-029	Zone 3	-	-	40	40	11,926	-	\$899.11
5545-009-030	Zone 3	-	-	50	50	14,911	-	\$1,124.02
5545-009-031	Zone 1	50	-	-	50	8,247	-	\$1,704.84
5545-009-032	Zone 1	100	-	-	100	16,409	-	\$3,402.95
5545-009-033	Zone 1	148	-	162	310	24,122	-	\$6,781.74
5545-009-035	Zone 1	171	-	268	439	42,333	16,000	\$10,855.82
5545-011-022	Zone 1	50	-	-	50	8,752	6,402	\$2,143.02
5545-011-023	Zone 1	50	-	-	50	8,752	-	\$1,744.93
5545-011-024	Zone 1	50	-	-	50	8,753	-	\$1,745.01
5545-011-025	Zone 1	50	-	-	50	8,752	21,936	\$3,108.95
5545-011-026	Zone 1	96	-	171	267	17,483	1,232	\$5,336.82
5545-011-028	Zone 3	194	-	358	552	41,883	5,616	\$9,784.78
5545-011-029	Zone 1	50	-	175	225	8,790	5,136	\$3,966.76
5545-011-031	Zone 1	245	-	-	245	42,887	86,859	\$13,951.41
5545-013-001	Zone 1	135	-	155	290	20,959	25,592	\$7,772.99
5545-013-002	Zone 3	-	-	50	50	6,762	1,720	\$864.92
5545-013-043	Zone 1	58	-	-	58	10,658	19,546	\$3,279.67
5545-013-051	Zone 1	117	-	-	117	16,553	18,126	\$4,898.56
5545-013-055	Zone 1	-	-	-	-	900	-	\$71.44
5545-013-056	Zone 1	-	-	-	-	2,250	4,440	\$454.69
5545-013-057	Zone 3	-	-	50	50	6,753	24,311	\$1,634.20
5545-013-058	Zone 3	-	-	46	46	20,855	-	\$1,312.33
5545-013-059	Zone 3	-	-	1,096	1,096	155,945	150,304	\$23,096.20
5545-013-401	Zone 3	106	-	223	329	24,668	63,592	\$7,775.07
5545-013-403	Zone 1	158	-	-	158	35,172	98,472	\$12,233.75
5545-013-404	Zone 3	7	-	1,432	1,439	420,354	400,592	\$45,725.24
5545-014-001	Zone 1	180	-	207	387	37,336	-	\$8,991.21
5545-014-002	Zone 1	30	-	-	30	2,805	1,380	\$938.59
5545-014-003	Zone 1	50	-	93	143	4,673	4,018	\$2,680.42
5545-014-004	Zone 3	-	-	48	48	3,841	1,796	\$731.93
5545-014-005	Zone 3	-	-	45	45	3,601	2,054	\$698.80
5545-014-006	Zone 3	-	-	45	45	4,805	1,612	\$730.68

Appendix A  
Sunset and Vine BID Renewal  
Fiscal Year 2011/2011 Assessment Roll (Sorted by APN)

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5545-014-007	Zone 3	-	-	35	35	4,555	2,092	\$628.74
5545-015-001	Zone 1	132	-	81	213	10,751	9,124	\$5,072.49
5545-015-002	Zone 3	-	-	50	50	6,603	-	\$800.12
5545-015-003	Zone 3	-	-	50	50	6,605	-	\$800.20
5545-015-047	Zone 3	-	-	40	40	5,200	8,154	\$914.68
5545-015-048	Zone 3	-	-	40	40	5,040	8,154	\$908.44
5545-015-049	Zone 1	126	-	97	223	13,236	1,742	\$4,858.35
5545-016-007	Zone 1	593	-	1,528	2,121	459,518	297,729	\$84,029.10
5545-016-900	Zone 1	265	-	956	1,221	323,026	138,500	\$50,195.65
5545-019-900	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-901	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-902	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-903	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-904	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-905	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-906	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-907	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-908	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-909	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-910	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-911	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-912	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-913	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-914	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-915	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-916	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-917	Zone 3	-	-	-	-	-	-	\$0.00
5546-010-017	Zone 1	-	-	17	17	2,968	23,292	\$1,868.45
5546-010-018	Zone 1	108	82	52	242	19,963	-	\$5,522.47
5546-010-019	Zone 1	-	-	17	17	2,967	28,098	\$2,167.22
5546-010-020	Zone 1	-	-	17	17	2,967	28,098	\$2,167.22
5546-010-021	Zone 1	105	79	51	235	19,352	60,782	\$9,139.22
5546-010-022	Zone 1	108	82	52	242	19,963	145,585	\$14,575.24
5546-010-023	Zone 1	3	3	2	8	617	-	\$174.13
5546-010-401	Zone 1	-	-	67	67	7,642	59,893	\$5,058.09
5546-010-402	Zone 1	172	-	52	224	17,728	-	\$5,584.38

Appendix A  
Sunset and Vine BID Renewal  
Fiscal Year 2011/2011 Assessment Roll (Sorted by APN)

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-010-403	Zone 1	-	-	67	67	7,642	72,251	\$5,826.53
5546-010-404	Zone 1	-	-	67	67	7,642	72,251	\$5,826.53
5546-010-405	Zone 1	172	-	52	224	17,728	46,041	\$8,447.30
5546-010-406	Zone 1	172	-	52	224	17,728	155,211	\$15,235.71
5546-011-017	Zone 1	161	-	205	356	30,975	93,000	\$13,638.38
5546-011-400	Zone 1	100	95	969	1,164	85,757	97,578	\$26,772.86
5546-012-002	Zone 2	-	103	101	204	18,209	20,349	\$4,928.88
5546-012-004	Zone 2	-	40	-	40	6,859	4,200	\$1,255.61
5546-012-005	Zone 2	-	61	-	61	10,461	3,600	\$1,749.51
5546-012-006	Zone 2	-	51	55	106	11,532	10,429	\$2,687.53
5546-012-007	Zone 2	-	52	52	104	8,558	8,211	\$2,334.34
5546-012-009	Zone 3	-	145	279	424	21,101	-	\$5,804.83
5546-012-011	Zone 1	152	145	142	439	23,659	3,882	\$8,807.25
5546-012-400	Zone 2	-	254	-	254	18,450	9,365	\$5,236.38
5546-013-002	Zone 2	-	145	-	145	22,900	35,715	\$5,625.21
5546-013-003	Zone 2	-	47	-	47	6,622	6,486	\$1,468.49
5546-013-009	Zone 2	-	20	-	20	6,515	-	\$714.98
5546-013-010	Zone 1	100	150	-	250	15,000	19,600	\$6,531.19
5546-013-011	Zone 1	100	-	-	100	15,017	14,000	\$4,163.00
5546-013-012	Zone 1	66	-	-	66	9,945	9,636	\$2,774.89
5546-013-013	Zone 1	50	-	-	50	7,483	7,500	\$2,110.57
5546-013-014	Zone 2	71	127	-	198	9,026	13,790	\$4,632.80
5546-013-015	Zone 2	-	25	-	25	1,752	1,712	\$557.60
5546-013-016	Zone 2	-	23	-	23	1,645	1,564	\$514.61
5546-013-017	Zone 2	-	-	-	-	249	-	\$17.03
5546-013-018	Zone 2	-	-	-	-	297	-	\$20.31
5546-013-019	Zone 2	-	53	-	53	9,488	-	\$1,362.94
5546-013-020	Zone 2	-	47	-	47	8,314	5,080	\$1,501.30
5546-013-028	Zone 2	-	170	-	170	6,012	5,880	\$3,048.53
5546-013-030	Zone 2	-	203	-	203	41,481	23,448	\$6,954.11
5546-013-031	Zone 2	-	35	-	35	6,174	3,162	\$1,080.20
5546-013-037	Zone 2	-	293	-	293	43,998	24,813	\$8,419.47
5546-013-038	Zone 2	-	166	-	166	6,140	4,320	\$2,911.41
5546-014-013	Zone 3	-	-	310	310	23,375	16,650	\$4,843.27
5546-014-014	Zone 3	-	-	100	100	7,791	-	\$1,389.14
5546-014-016	Zone 3	-	-	48	48	7,200	4,320	\$948.86

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APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-014-017	Zone 3	-	-	198	198	7,200	4,848	\$2,594.95
5546-014-029	Zone 3	-	50	50	100	6,912	-	\$1,485.94
5546-014-044	Zone 2	-	150	150	300	20,772	12,336	\$5,796.95
5546-014-047	Zone 1	162	167	166	485	21,964	204,920	\$21,730.61
5546-014-048	Zone 2	-	173	173	346	27,998	110,080	\$12,612.81
5546-014-052	Zone 2	-	153	282	435	20,208	10,659	\$7,132.67
5546-014-053	Zone 2	-	142	288	430	23,945	23,808	\$8,080.24
5546-014-054	Zone 2	-	105	105	210	17,331	4,464	\$4,002.76
5546-014-056	Zone 1	137	-	454	581	33,503	17,136	\$11,530.24
5546-014-058	Zone 1	131	229	221	581	31,700	43,000	\$13,426.26
5546-014-900	Zone 3	-	-	210	210	8,962	-	\$2,628.73
5546-015-026	Zone 1	332	-	-	332	25,161	36,704	\$11,253.02
5546-015-029	Zone 1	147	-	-	147	22,169	19,087	\$6,034.24
5546-015-037	Zone 3	-	-	156	156	29,377	96,044	\$6,110.54
5546-015-038	Zone 1	140	-	-	140	52,708	148,190	\$16,339.18
5546-015-039	Zone 3	-	-	53	53	9,903	13,813	\$1,431.92
5546-015-040	Zone 3	-	-	70	70	7,399	9,453	\$1,370.28
5546-015-041	Zone 3	-	-	-	-	2,784	5,569	\$298.26
5546-015-042	Zone 1	219	-	99	318	26,707	3,600	\$8,018.31
5546-015-043	Zone 3	146	-	157	303	21,631	18,500	\$6,244.30
5546-015-046	Zone 1	-	-	-	-	920	-	\$73.03
5546-015-047	Zone 1	125	-	-	125	23,080	18,500	\$5,607.95
5546-015-900	Zone 3	-	-	531	531	99,814	574,797	\$29,237.00
5546-015-901	Zone 3	-	-	70	70	7,399	-	\$1,048.24
5546-015-902	Zone 3	-	-	-	-	2,784	5,569	\$298.26
5546-016-001	Zone 3	-	-	180	180	5,600	3,992	\$2,308.04
5546-016-002	Zone 3	-	-	95	95	13,300	5,390	\$1,733.27
5546-016-003	Zone 3	-	-	50	50	7,000	-	\$815.60
5546-016-004	Zone 3	-	-	50	50	7,000	3,522	\$935.59
5546-016-005	Zone 3	-	-	55	55	7,701	3,970	\$1,032.45
5546-016-008	Zone 3	-	-	50	50	7,001	5,500	\$1,003.01
5546-016-009	Zone 3	-	-	50	50	7,000	5,500	\$1,002.97
5546-016-010	Zone 3	-	-	50	50	7,000	1,250	\$858.19
5546-016-011	Zone 3	-	-	175	175	4,900	2,625	\$2,179.91
5546-016-020	Zone 3	-	-	100	100	14,003	14,939	\$2,140.26
5546-016-022	Zone 1	210	-	345	555	57,093	20,456	\$13,959.43

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APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-016-023	Zone 3	-	-	95	95	13,308	11,568	\$1,944.06
5546-016-900	Zone 1	66	-	121	187	8,683	1,740	\$3,497.06
5546-017-006	Zone 2	-	53	46	99	959	-	\$1,279.04
5546-017-027	Zone 2	-	144	255	399	9,950	5,230	\$5,696.88
5546-019-002	Zone 3	-	-	177	177	5,606	-	\$2,139.72
5546-019-003	Zone 3	-	-	50	50	6,997	-	\$815.49
5546-019-004	Zone 3	-	-	50	50	6,998	-	\$815.52
5546-019-005	Zone 3	-	-	50	50	6,999	-	\$815.56
5546-019-013	Zone 1	277	-	838	1,115	117,688	118,335	\$31,613.91
5546-019-014	Zone 3	-	-	285	285	20,400	-	\$3,888.70
5546-020-012	Zone 1	136	-	86	222	12,487	3,140	\$4,976.48
5546-020-013	Zone 1	127	-	87	214	11,690	12,048	\$5,288.96
5546-022-015	Zone 3	-	-	50	50	6,759	2,719	\$898.84
5546-022-016	Zone 1	135	-	50	185	6,759	6,133	\$4,296.17
5546-022-019	Zone 3	-	-	50	50	6,997	1,564	\$868.77
5546-022-020	Zone 3	-	-	-	-	-	-	\$0.00
5546-022-021	Zone 3	-	-	-	-	-	-	\$0.00
5546-022-030	Zone 1	140	-	200	340	27,748	23,436	\$8,771.28
5546-023-016	Zone 3	-	-	60	60	6,811	-	\$916.77
5546-023-017	Zone 3	-	-	60	60	6,813	15,216	\$1,435.23
5546-023-030	Zone 3	-	-	48	48	6,593	1,668	\$834.85
5546-023-031	Zone 3	-	-	48	48	6,592	4,279	\$923.77
5546-023-048	Zone 3	-	-	543	543	71,738	48,698	\$10,349.54
5546-023-050	Zone 1	273	-	339	612	42,711	14,055	\$13,677.96
5546-024-019	Zone 1	366	-	465	831	84,429	41,000	\$21,985.93
5546-024-804	Zone 3	-	-	1,072	1,072	128,736	153,831	\$21,895.09
5546-025-001	Zone 1	199	-	471	670	54,143	24,977	\$15,142.95
5546-025-002	Zone 1	132	-	132	264	36,091	54,968	\$10,488.14
5546-025-003	Zone 1	48	-	-	48	6,545	-	\$1,527.74
5546-025-004	Zone 1	50	-	-	50	6,817	-	\$1,591.33
5546-025-005	Zone 1	20	-	-	20	2,727	-	\$636.55
5546-025-006	Zone 1	30	-	-	30	4,090	-	\$954.78
5546-025-007	Zone 1	50	-	-	50	6,816	-	\$1,591.25
5546-025-008	Zone 3	-	-	50	50	6,817	-	\$808.47
5546-025-009	Zone 3	-	-	50	50	6,816	-	\$808.43
5546-025-010	Zone 3	-	-	50	50	6,817	-	\$808.47

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APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-025-011	Zone 3	-	-	48	48	6,545	-	\$776.15
5546-025-016	Zone 1	100	-	-	100	13,635	6,488	\$3,586.20
5546-025-017	Zone 1	50	-	-	50	6,815	5,672	\$1,943.87
5546-025-018	Zone 3	-	-	50	50	6,816	2,174	\$882.49
5546-025-019	Zone 3	-	-	50	50	6,817	-	\$808.47
5546-025-020	Zone 3	-	-	50	50	6,316	2,376	\$869.89
5546-025-029	Zone 1	303	-	60	363	28,765	94,009	\$15,144.55
5546-025-030	Zone 1	96	-	64	160	6,800	3,234	\$3,451.95
5546-026-003	Zone 2	-	45	-	45	5,770	-	\$1,000.92
5546-026-004	Zone 2	-	50	-	50	6,413	-	\$1,112.27
5546-026-005	Zone 2	-	50	-	50	6,413	-	\$1,112.27
5546-026-019	Zone 1	347	-	639	986	113,536	109,198	\$30,026.55
5546-026-020	Zone 2	-	167	239	406	41,121	-	\$7,656.18
5546-026-022	Zone 3	-	192	252	444	48,463	75,158	\$9,772.34
5546-026-024	Zone 3	-	-	128	128	23,190	-	\$2,293.40
5546-026-025	Zone 3	-	-	128	128	21,910	-	\$2,243.49
5546-026-028	Zone 3	-	103	120	223	14,815	-	\$3,268.02
5546-026-029	Zone 3	-	93	120	213	12,933	-	\$3,059.90
5546-026-030	Zone 1	362	-	636	998	113,044	106,947	\$30,130.03
5546-026-031	Zone 1	174	-	326	500	58,604	308,083	\$31,002.21
5546-026-034	Zone 1	509	-	-	509	62,006	25,764	\$17,215.19
5547-017-001	Zone 2	-	191	-	191	6,864	31,865	\$4,921.64
5547-017-003	Zone 2	-	153	-	153	20,674	14,208	\$4,312.93
5547-017-005	Zone 3	-	-	73	73	16,758	-	\$1,445.67
5547-017-006	Zone 3	-	-	73	73	17,431	10,898	\$1,843.17
5547-017-008	Zone 2	-	48	-	48	6,912	-	\$1,119.43
5547-017-012	Zone 2	-	60	-	60	8,608	11,922	\$2,099.93
5547-017-014	Zone 1	50	-	-	50	5,000	4,500	\$1,726.93
5547-017-028	Zone 3	-	-	55	55	13,849	2,409	\$1,218.96
5547-017-029	Zone 2	-	95	144	239	13,646	29,819	\$5,534.08
5547-017-030	Zone 2	-	246	-	246	34,414	52,342	\$8,740.23
5547-017-036	Zone 2	62	168	-	230	13,624	32,376	\$6,406.32
5547-017-037	Zone 1	70	-	-	70	11,537	20,136	\$3,638.18
5547-017-038	Zone 1	200	-	162	362	32,317	22,572	\$9,928.05
5547-017-039	Zone 3	-	-	60	60	11,974	-	\$1,118.06
5547-017-040	Zone 2	-	-	-	-	2,329	-	\$159.25

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Fiscal Year 2011/2011 Assessment Roll (Sorted by APN)

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5547-018-011	Zone 3	-	-	50	50	7,156	-	\$821.68
5547-018-012	Zone 1	143	-	55	198	7,906	11,074	\$4,916.76
5547-018-023	Zone 1	52	-	-	52	7,619	6,040	\$2,072.58
5547-018-024	Zone 3	52	-	143	195	7,535	3,852	\$3,069.34
5547-018-028	Zone 1	104	-	100	204	35,977	74,026	\$10,728.70
5547-018-029	Zone 2	-	207	215	422	44,534	65,858	\$12,050.53
5547-018-901	Zone 3	-	-	104	104	21,446	-	\$1,964.91
5547-026-001	Zone 1	106	-	344	450	18,226	100,772	\$13,673.17
5547-026-002	Zone 1	136	-	86	222	12,494	8,335	\$5,300.08
5547-026-014	Zone 3	-	-	120	120	6,234	-	\$1,545.52
5547-026-015	Zone 3	-	-	100	100	5,297	-	\$1,291.91
5547-026-016	Zone 3	-	-	100	100	5,299	-	\$1,291.99
5547-026-017	Zone 3	-	-	100	100	5,300	2,950	\$1,392.53
5547-026-018	Zone 3	-	-	71	71	3,711	1,706	\$973.43
5547-026-023	Zone 3	50	-	160	210	8,000	8,000	\$3,371.29
5547-026-024	Zone 1	150	-	-	150	24,001	24,193	\$6,560.17
5547-026-025	Zone 1	50	-	-	50	7,999	14,500	\$2,586.80
5547-026-026	Zone 1	50	-	-	50	8,001	7,311	\$2,139.93
5547-026-900	Zone 3	-	-	180	180	9,549	1,350	\$2,371.99
5547-026-901	Zone 3	-	-	68	68	3,712	1,450	\$932.19
5547-026-902	Zone 3	-	-	206	206	5,308	1,130	\$2,481.36
<b>Total</b>		<b>14,611</b>	<b>5,929</b>	<b>30,618</b>	<b>51,158</b>	<b>5,658,492</b>	<b>6,409,637</b>	<b>\$1,429,674.81</b>



Appendix B  
Public Parcel List

Sunset and Vine BID - Public Parcels

APN	Ownership	Situs Address	Annual Assessment	%
5546015900	COMMUNITY REDEVELOPMENT AGENCY OF LA CITY	No Situs Address	\$ 29,237.00	2.05%
5546015901	COMMUNITY REDEVELOPMENT AGENCY OF LA CITY	No Situs Address	\$ 1,048.24	0.07%
5546015902	COMMUNITY REDEVELOPMENT AGENCY OF LA CITY	No Situs Address	\$ 298.26	0.02%
5546015900	COMMUNITY REDEVELOPMENT AGENCY OF LA CITY	1357 Vine St	\$ 3,497.06	0.24%
Total Community Redevelopment Agency of LA City			\$ 34,080.56	2.38%
5546014900	LA CITY	5513 De Longpre Ave	\$ 2,628.73	0.18%
5547018901	LA CITY	1548 Schrader Blvd	\$ 1,964.91	0.14%
5547026900	LA CITY	No Situs Address	\$ 2,371.99	0.17%
5547026901	LA CITY	No Situs Address	\$ 932.19	0.07%
5547026902	LA CITY	No Situs Address	\$ 2,481.36	0.17%
Total LA City			\$ 10,379.18	0.73%
5545016900	LA UNIFIED SCHOOL DIST	5746 W Sunset Blvd	\$ 50,195.65	3.51%
5546019900	LA UNIFIED SCHOOL DIST	1315 S Wilton Pl	\$ -	0.00%
5545019901	LA UNIFIED SCHOOL DIST	1309 N Wilton Pl	\$ -	0.00%
5545019902	LA UNIFIED SCHOOL DIST	1301 N Wilton Pl	\$ -	0.00%
5545019903	LA UNIFIED SCHOOL DIST	5707 Fountain Ave	\$ -	0.00%
5545019904	LA UNIFIED SCHOOL DIST	5711 Fountain Ave	\$ -	0.00%
5545019905	LA UNIFIED SCHOOL DIST	5715 Fountain Ave	\$ -	0.00%
5545019906	LA UNIFIED SCHOOL DIST	5721 Fountain Ave	\$ -	0.00%
5545019907	LA UNIFIED SCHOOL DIST	1306 N Ridgewood Pl	\$ -	0.00%
5545019908	LA UNIFIED SCHOOL DIST	1310 N Ridgewood Pl	\$ -	0.00%
5545019909	LA UNIFIED SCHOOL DIST	1311 N Ridgewood Pl	\$ -	0.00%
5545019910	LA UNIFIED SCHOOL DIST	1307 N Ridgewood Pl	\$ -	0.00%
5545019911	LA UNIFIED SCHOOL DIST	1322 N Van Ness Ave	\$ -	0.00%
5545019912	LA UNIFIED SCHOOL DIST	1316 N Van Ness Ave	\$ -	0.00%
5545019913	LA UNIFIED SCHOOL DIST	1314 N Van Ness Ave	\$ -	0.00%
5545019914	LA UNIFIED SCHOOL DIST	1302 N Van Ness Ave	\$ -	0.00%
5545019915	LA UNIFIED SCHOOL DIST	5735 Fernwood Ave	\$ -	0.00%
5545019916	LA UNIFIED SCHOOL DIST	5743 Fountain Ave	\$ -	0.00%
5545019917	LA UNIFIED SCHOOL DIST	5735 Fountain Ave	\$ -	0.00%
Total LA Unified School District			\$ 50,195.65	3.51%
Total All Government Assessments			\$ 94,656.39	6.62%

City of Los Angeles



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Sunset & Vine  
Property and Business Improvement District Renewal

Appendix A - Engineer's Report

Calendar Years 2012 to 2018

June 24, 2011



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## ENGINEER'S REPORT AFFIDAVIT

### Sunset & Vine Property and Business Improvement District

This Report describes the District and defines improvements, budget and method of assessment apportionment, and the individually assessed parcels to be levied on the fiscal year 2011/2012 tax roll as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the Los Angeles City Council.

Dated this 24<sup>th</sup> day of June, 2011.

Willdan Financial Services  
Assessment Engineer

By: Jim McGuire  
Jim McGuire  
Senior Project Manager

By: Richard Kopecky  
Richard Kopecky  
R. C. E. # 16742



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## Overview

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### Introduction

The City of Los Angeles ("City") formed and established the Sunset and Vine Property and Business Improvement District ("District") to provide improvements and activities that confer special benefits upon real property (parcels) within the boundaries of the District. The District was established and levied pursuant to Property and Business Improvement District Law of 1994, Part 7 of Division 18 of the California Streets and Highways Code (the "Act") and the provisions of the California Constitution Article XIID ("Proposition 218"). Pursuant to the Act, property owners within the District submitted a signed petition requesting formation of the District. The initial Sunset and Vine Property and Business Improvement District was formed in October 2006 for a term of five years, for Calendar Years 2007-2011, and will expire on December 31, 2011. The maximum annual assessments for the initial District were approved by the property owners through an assessment ballot proceeding, conducted according to provisions of the California Constitution Article XIID ("Proposition 218"). Under the provisions of the Act, the property owners within the District may renew the District for a maximum term of ten (10) years, with the renewal process being the same as that of the original formation, which requires the preparation of this updated Engineer's Report. Pursuant to the Act, the City will collect assessments to provide funding for improvements and activities authorized within the District for a period of seven (7) years, Calendar Years 2012-2018 (January 1, 2012 through December 31, 2018) with the annual assessments being levied on the County tax rolls to fund the District from 2012 through 2018.

This Engineer's Report ("Report") describes the District (which includes the addition of new territory), improvements and activities, method of apportionment, the assessments for the first year, and the maximum assessment proposed for the seven-year duration of the renewed District. The proposed assessments are based on the estimated cost to provide the improvements, activities, and operations that provide a direct and special benefit to individually assessed parcels within the boundaries of the District. The costs of improvements, activities, and operations include all expenditures, deficits, surpluses, revenues, and reserves.

The word "parcel," for the purposes of this Report, refers to real property located within the District, and identified as an individual Assessor's Parcel Number (APN) by the County of Los Angeles Assessor's Office. The County of Los Angeles Auditor/Controller uses APNs to identify on the tax rolls parcels to be assessed for taxes, special assessments, and fees and charges. The words "property owner" or "property owners" for the purposes of this Report, refers to the record owner or owners of each identified parcel in the District.

## **District Formation**

A written petition of the property owners within the District, representing more than 50 percent of the proposed assessment to be levied must be submitted to the Los Angeles City Council in order to proceed with the District formation. After the required signatures have been gathered, the City Council may initiate proceedings for the renewal of the District by adopting a resolution expressing its intention to renew the District. The resolution of intention will reference the Engineer's Report and the Management District Plan, and shall give notice of the time and place of a public hearing on the re-establishment of the District and levy of assessments, pursuant to Section 53753 of the California Government Code (Proposition 218 Omnibus Implementation Act) and in accordance with the provisions of Article XIID of the California Constitution. Each notice given shall contain an assessment ballot and shall be mailed to the property owners of record at least 45 days prior to the public hearing.

At the public hearing the City Council may provide the public and property owners the opportunity to provide oral protests and written protests prior to the adoption of the Engineer's Report and the Management District Plan. At the conclusion of the public hearing, the City Council will cause the assessment ballots received from property owners to be opened and tabulated. Based on the results of the ballot tabulation the City Council will determine whether majority protest exists.

If a majority protest does not exist (the property owners approve the renewal of the District and the imposition of new assessments), the City Council will appoint an owners' association for the District. This owners' association shall make recommendations to the City Council on the expenditures of revenue derived from the levy of assessments and on the classification of parcels as applicable. This owners' association shall cause to be prepared a report each year for which assessments are to be levied and collected. Said annual report shall be filed with the City Clerk and shall contain: any proposed changes to the district boundary; the improvements and activities to be provided that year; the estimated costs for that year; the method of assessment; the amount of any surplus or deficit; and contributions from other sources. The City Council may approve the report as submitted or as modified.

## **Description of the District**

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### **District Boundary**

The District is located in the Hollywood community within the City of Los Angeles, County of Los Angeles and includes and incorporates two hundred seventy-three (273) parcels that are adjacent to or access the streets along which the proposed District services and activities will be provided, excluding those parcels in accordance with the provisions of the Act that are identified as "Properties zoned solely for residential use" including, but not limited to: R1, R2 and R3 Los Angeles City zoning designations; or are part of another business improvement district that borders this general area.

Generally, the District spans Sunset Boulevard from the 101 Freeway on the east to Cassil Place on the west; and Vine Street from Selma Avenue on the north (which borders the Hollywood Entertainment District) to Santa Monica Boulevard on the south (which borders the Hollywood Media District) and includes all or a portion of the following Los Angeles, County Assessor's Parcel Maps:

- ♦ Book 5533 —Pages: 005; 006; and 007
- ♦ Book 5534 — Pages: 001; 002; 005; and 006
- ♦ Book 5545 — Pages: 007 thru 009; 011; 013 thru 016; and 019
- ♦ Book 5546 — Pages: 010 thru 017; 019; 020; and 022 thru 026
- ♦ Book 5547 — Pages: 017, 018 and 026

A specific map outlining the District boundaries, and delineating areas of expansion from the prior District, is included in the Management District Plan. Copies of maps showing the boundaries of the proposed District and the various zones of benefit: Zone 1, Zone 2, and Zone 3 are provided within this Report.

The Management District Plan contains a full description of the District boundaries and specific maps that outline those boundaries described, including a map designated as "Boundary Description Map and Reference Points" and a map designated as "Boundary Rationale Map and Reference Points." By reference these maps are made part of this Report. Contained within this Report is a Boundary Map showing the exterior boundaries of the District (those boundaries being consistent with the maps contained in the Management District Plan); the designated zones of benefit (Zone 1, Zone 2, and Zone 3) within those boundaries; and the various designated Services Level street assignments (Service Level 1, Service Level 2 and Service Level 3) associated with those Zones.

### **Improvements and Activities**

The improvements, services and activities to be provided by the District are in addition to those provided by the City of Los Angeles. The District intends to continue to provide and ensure the operation and maintenance of the improvements and activities approved for the existing District for another seven (7) year term.

The services and activities planned and budgeted for the District over the next seven years can generally be grouped into these categories:

- ♦ Safety and Security Services;
- ♦ Maintenance, Streetscape and Beautification;
- ♦ Marketing and Consulting;
- ♦ District Management, Policy Development and Administration; and
- ♦ Contingency, City Fees and Reserves.

While each of these overall services and activities are provided only to and for the benefit of parcels within the District boundaries, the level of service for Safety and Security Services and for Maintenance and Streetscape varies in different areas of the District and are therefore particular and distinct to each individually assessed parcel in those areas. Zones (described in the Section under Determination of Benefit Areas, Zones of Benefit) have been established within the District to reflect these varying levels of services and activities to be provided to parcels within those areas. The overall cost of providing each of the services and activities of the District and the allocation of those costs to the various Zones, is a direct reflection of the service demand in each area, the parcels that directly benefit from those services and activities and the amount paid into the District by individually assessed parcels within those various areas. The allocation of services and expenditures are based on the Management District Plan, the history of services and expenditures in the preceding five years of the District, and the anticipated increase in services and expenditures proposed for the next seven years.

The District services and activities are generally described as follows and are not intended to duplicate or supplant services, facilities and improvements that are currently provided by the City of Los Angeles within the District boundaries:

### **Safety and Security Services**

Funding resources will be earmarked to contract or hire a security team, which will patrol the entire District and will be responsible for coordinating the District's activities with the Hollywood Division of the Los Angeles Police Department (LAPD), the Los Angeles County Sheriff's Metro Patrol, and the City Attorney's office to deter crime, initiate citizen's arrests when necessary, warn and advise trespassers and panhandlers, and respond to visitor inquiries. The team may either be armed, or unarmed, depending upon the needs of the District, as defined by the Security Committee and the Board of Directors. Among other services, this budget item covers deployment of officers, office space, training, overtime, court pay, equipment (e.g., vehicles, surveillance cameras, etc.) and homeless services outreach. Security services are available throughout the entire District equally on a "call for service" basis, but foot patrols will provide differential levels of coverage to three of the zones of benefit (described in the Section under Determination of Benefit Areas, Zones of Benefit).



### **Maintenance and Streetscape**

Funding resources will be earmarked to contract with a maintenance vendor and/or hire staff who will provide services – street sweeping; sidewalk sweeping and pressure washing; Walk of Fame star polishing; gutter and storm drain cleaning; landscape planting and maintenance services; tree trimming; graffiti removal and sticker removal; trash removal; and related services for only the parcels within the boundaries of the District. Funds may also be set aside each year to pay for special capital improvements, new street furniture (e.g., trash receptacles, benches, signage, planters, etc.), holiday decorations and similar improvements within the District. These are services and or repairs that are not otherwise provided by the City of Los Angeles except at very base levels.

### **Marketing and Consulting**

Funding resources may be earmarked to contract or hire professional consulting services to assist with communications or pressing issues facing the parcel owners in the District. The Board of Directors, with input from the parcel owners, will determine each year how these funds should be allocated. The types of consulting services contemplated include: marketing, media relations, event planning, public relations guidance, economic development, retail recruitment, grant writing, and District renewal (in the final year of the District). Funds may also be utilized to match grant proceeds, or for "district branding" opportunities, such as pole banners, logos, signs and wall maps; promotional materials, including advertising, maps, visitors' guides, press releases; maintenance of the District web site; annual economic benchmarking research, and similar projects. In addition, overtures may be made to potential corporate sponsors to attract new (non-assessment) revenues to leverage the marketing activities of the District.

### **District Management, Policy Development and Administration**

Funding resources are allocated to District Management and administration to pay for the following items: office expenses; legal, telephone/internet access; accounting services; business meals; travel; insurance (workers compensation, general liability and directors/officers liability); dues/subscriptions; equipment/furniture; rent; and database maintenance. Personnel expenses include salaries, benefits and payroll taxes. The administrative office, in addition to coordinating all affairs of the Owners Association, and complying with all contractual obligations to the City of Los Angeles in the management of the District, also serves as the "voice" of the parcel owners to the community, the media and government policy makers. For example, the staff may serve as the spokesperson on behalf of parcel owner interests on issues affecting the entire District including but not limited to: municipal service levels; law enforcement and public safety; street, sidewalk and sanitation services; enforcement of existing municipal codes; traffic congestion relief and policies related to parking, valet parking, taxi and shuttle access; tax relief; protection of rights of parcel owners to form and guide business improvement districts, and other related matters as determined by the Owners Association. In addition to these services, there are allowances in the budget for contingency, City fees and reserve funds, as described in the Management District Plan.

### Contingency/City Fees/Reserves

Funding resources are collected and allocated as needed for fees paid to the City of Los Angeles, for services rendered in connection with the annual assessment process for the District; non-earmarked funding designated to meet special needs arising each year related to security, maintenance, streetscape, special projects or marketing needs; and operational reserves to cover assessment revenue shortfalls that may occur from time to time as a result of delinquencies.

Because the assessments are collected as part of each parcel's property taxes on the County tax rolls, each year a small percentage of the parcels may not pay their property taxes, creating a revenue shortfall for that year. A reserve fund has been established to offset these temporary revenue shortfalls. Eventually these delinquent assessments will accrue to the District, either at the time of property transfer (when all outstanding fees, taxes and assessments are collected) or upon the County of Los Angeles initiating a tax auction to recover delinquent taxes and assessments. If the funds are collected during the life-span of the District, they are included in operating capital. If they accrue after the District expires, they accrue to a Special Projects Account.

### Benefit Analysis

Each of the proposed improvements, services and activities, and the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the Act and the California Constitution.

Specifically:

In accordance with the provisions of the California Constitution Article XIID Section 4a:

*"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel."*

In addition, Article XIID Section 2i defines Special Benefit as:

*"Special benefit" means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute "special benefit."*

Inasmuch as all the improvements (services and activities) planned and budgeted for the District over the seven-year term of the District are specifically intended to enhance and service the individually assessed parcels within the District and are an integral part of the appearance, use, protection and preservation of those parcels, these improvements are clearly a special benefit to those individually assessed parcels. In addition, these improvements shall be provided to only the parcels within the District boundaries (no services will be extended outside the District boundaries) and these services and activities are above and beyond those currently provided by the City of Los Angeles which collectively qualifies these services and activities as particular and distinct benefits. Conversely, general benefit would be defined as an overall and similar benefit to real property within the District or to the public at large. The terminology "At large" includes, but is not limited to, all members of the public, including those who live, work,

and shop within the District, and not simply transient visitors. While such services and activities may inherently produce general benefits for real property within the District or to the public at large, those benefits are more indirect and less quantifiable and certainly do not reduce the special benefits to the parcels in the District.

In the May 2009 Appellate Court case of Robert Dahms vs. Downtown Pomona Property et al, the Court noted:

*"Under article XIII D, "[n]o assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel." (Cal. Const., art. XIII D, § 4, subd. (a).) The provision is unambiguous, and nothing in article XIII D says or implies that if the special benefits that are conferred also produce general benefits, then the value of those general benefits must be deducted from the reasonable cost of providing the special benefits before the assessments are calculated. Rather, the only cap the provision places on the assessment is that it may not exceed the reasonable cost of the proportional special benefit conferred on that parcel."*

The Court further stated in this case regarding PBID assessments:

*"...(security services, streetscape maintenance, and marketing, promotion, and special events) are all special benefits conferred on the parcels within the PBID—they "affect the assessed property in a way that is particular and distinct from [their] effect on other parcels and that real property in general and the public at large do not share." (SVTA, supra, 44 Cal.4th at p. 452.) Under article XIII D, therefore, the cap on the assessment for each parcel is the reasonable cost of the proportional special benefit conferred on that parcel. If the special benefits themselves produce certain general benefits, the value of those general benefits need not be deducted before the (caps on the) assessments are calculated."*

The assessment revenues to be collected to support the security, maintenance and marketing activities and services of the District shall be used for only those improvements, services and activities outlined in the Management District Plan. These services and activities provide property owners a useful tool to collectively address some of the key issues facing the parcels within the District by ensuring the safe and efficient movement of people and goods and enhancing the aesthetic appeal of the area. Ultimately, the goals of the District are to enhance the living and work environments, sales, and business opportunities for the parcels within its boundaries, and to allow individual parcels to be developed and utilized to their full potential. In doing so, the District's services reduce the costs that property owners might incur for private security, cleaning and maintenance of the areas adjacent to their parcels, as well as for marketing and promotional activities. Together, increased security and the maintenance of the streets, and public walkways in the District, and marketing will contribute to a specific enhancement and advantage to the individually assessed parcels within the District and the absence of these services and activities could eventually have a negative impact on those parcels. As such, it has been determined that the services and activities to be funded by annual assessments confer a particular and distinct special benefit to the parcels to be assessed within the District.

While the improvements, services and activities proposed for the District include public streets and facilities, as well as a safety and security program that will in part serve the public, it is clear that these services and activities are being provided for the purpose of specifically enhancing the environment and opportunities of the parcels within the District above and beyond the basic City services currently provided within the District. Furthermore, those basic City services will continue to be provided at the same level of service provided throughout the City of Los Angeles, and are considered to be general benefit and shall be funded by other revenue sources and not included as part of the special benefit assessments levied on parcels within this District.

Based on the discussion above, it is apparent that the proposed District improvements, services and activities are not required nor necessarily desired by any parcels outside the District boundary and any public access, use or availability of these services and activities by others is considered incidental to providing the improvements, services and activities to the individually assessed parcels that directly benefit from those improvements, services and activities. Therefore, it has been determined that the services, maintenance and operations to be provided by this District and to be funded entirely by annual District assessments are consistent with the intent of the Act, the Constitution and current case law, and provide no measurable general benefit to parcels outside the District or to the public at large.

## **Determination of Benefit Areas (Zones of Benefit)**

While it has been determined that the services and activities to be provided by the District are entirely special benefit (no measurable general benefit), the level of service and activities to be provided vary within the boundaries of the District.

In order to properly allocate the cost of the services or variations in services, benefit areas (hereafter referred to as "Zones") have been established for the District. These Zones are based on differences in services or the level of service to be provided within those Zones. The overall cost of providing each of the services and activities shown in this Report have been budgeted and allocated to the various Zones, (Zones 1, 2 and 3), based on an estimate of the service level demands within each of the respective Zones. The costs and expenditures associated with each Zone are proportionately allocated to each of the benefiting parcels within a Zone based on specific physical characteristics of the parcels within the District, including each parcel's street frontage, parcel lot size and building square footage. Corner parcels and parcels which have street frontage on more than one side are assigned to a Zone for building size and parcel lot size based on their street (situs) address. If no street (situs) address has been assigned by the County Assessor's Office, they are assigned to a Zone based on the Zone designation of the street for which they have the largest frontage or the street that would reasonably be considered the parcels access point. Zone assignment for street frontage is assigned to a parcel separately for each Zone street designation it borders.

The following is a description of the District Zones:

**Zone 1:**

Includes those parcels for which their primary street frontage location <sup>1</sup> is Sunset Boulevard, from Cassil Place to Highway 101; and Vine Street, from Selma Avenue to Santa Monica Boulevard.

**Service Level** – Zone 1 parcels receive the highest level of security and maintenance services due to the intensity of pedestrian activity, commercial storefronts and business activities which generate trash, dirty the sidewalk, and elicit the most frequent calls for service. Zone 1 streets serve as the main thoroughfare for security teams who patrol by vehicle, foot, bike or T-3. The greatest portion of patrol resources are dedicated to Zone 1. In addition, one video surveillance camera will be placed within Zone 1 which requires ongoing maintenance. Common areas within Zone 1 receive the highest level of maintenance services including: daily street sweeping; routine pressure washing (a minimum of ten washes per year); and regular porter service. Forty trash receptacles will be placed and serviced within this zone. Stars located along the portion of the Walk of Fame within Zone 1 will be polished at a minimum of one time per month. District-branded pole banners will be placed most frequently in Zone 1. Communications, marketing and web resources will benefit Zone 1 parcels, regardless of whether they are publically or privately owned.

**Location** – Reference the Boundary Map within this Report, for detail on the location of parcels within Zone 1.

**Zone 2:**

Includes those parcels for which their primary street frontage location<sup>2</sup> is along Selma Avenue, from Cassil Place to Vine Street and from Argyle Avenue to North Gower Street; along Wilcox Avenue, south of Selma Avenue and north of Sunset Boulevard; and along North Cahuenga Boulevard, south of Selma Avenue and north of Homewood Avenue.

**Service Level** – Zone 2 parcels receive regular but less frequent or moderate levels of service as compared to Zone 1, as the zone includes a mix of multi-family residential and commercial parcels which generate less pedestrian activity than Zone 1. Security teams will patrol Zone 2 by vehicle, foot, bike and T-3, but at a less intense frequency compared to Zone 1. Zone 2 areas receive a moderate level of services including: daily street sweeping; regular pressure washing (a minimum of nine times per year); trash removal as needed from City-sponsored (Adopt-a-Basket) trash receptacles. Communications, marketing and web resources will benefit Zone 2 parcels, regardless of whether they are publically or privately owned.

**Location** – Reference the Boundary Map within this Report, for detail on the location of parcels within Zone 2.

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<sup>1</sup> Primary Street may be different from Situs Street.

<sup>2</sup> Primary Street may be different from Situs Street.

**Zone 3:**

Includes those parcels for which their primary street frontage location<sup>3</sup> is along Cassil Place; Seward Street; Schrader Boulevard; Hudson Avenue; Wilcox Avenue, south of Sunset Boulevard and north of De Longpre Avenue; Cole Place; Ivar Avenue; Morningside Court; Argyle Avenue; North El Centro Avenue; Gower Street; La Baig Avenue; Gordon Street; Tamarind Avenue; Bronson Avenue; Van Ness Avenue; Wilton Place; Harold Way; Leland Way; De Longpre Avenue; Homewood Avenue; Afton Place; Fountain Avenue; La Mirada Avenue; Lexington Avenue; Banner Avenue; and Santa Monica Boulevard.

**Service Level** – Zone 3 parcels receive occasional or as needed services and activities with an overall service level that is less than that of Zones 1 and 2. This zone receives the lowest level of service due to low levels of pedestrian activity and fewer storefront entrances and commercial businesses facing the street. Its services include but are not limited to: minimal routine patrol resources, all streets are swept daily and sidewalks are pressure washed every other month, reduced administrative demands due to minimal retail and tourist attention. Zone 3 common areas receive the least amount of maintenance services. Communications, marketing and web resources will benefit Zone 3 parcels, regardless of whether they are publically or privately owned.

**Location** –Reference the Boundary Map within this Report, for detail on the location of parcels within Zone 3.

Note: Additional detail on services provided by the District is described within the Management District Plan. The Board of Directors of the Owners Association is charged with facilitating and implementing the activities and services to be provided by the District.

The Boundary Map contained in this Report shows the overall boundaries of the District as well as each of its Zones.

The overall estimated annual cost to provide the various improvements and services appears in the District Budget Section of this Report. The allocation of these overall costs to Zones 1, 2 and 3 are based on their level of service as described above. The improvement costs allocated to each Zone and the apportionment of those costs to the various parcels is more fully described in the Method of Apportionment.

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<sup>3</sup> Primary Street may be different from Situs Street.

## **Method of Apportionment**

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### **Method of Apportionment Rationale**

The annual assessments levied for the District shall fund the services, activities and operations associated with the District ("Improvements"). As previously discussed, the District has been divided into three benefit zones ("Zones"). All parcels that receive special benefits from the Improvements within each Zone, share in the cost of the Improvements associated with that Zone. The costs and assessments set forth in this Report are based upon an estimate of the expenses related to those Improvements including all direct service costs, administration and incidental expenses based on the history of providing those services and activities throughout the District in the preceding five years as well as an estimate of the costs associated with proposed enhancements to existing levels of service, new services, and expansion of the District boundaries.

The total amount allocated to each Zone is a direct reflection of the services and activities provided in that area, and is spread equitably among the benefiting parcels within that Zone based on each individually assessed parcel's proportional street frontage; proportional building square footage (which includes ground floor, non-ground floor, improved basement and; if applicable, parking structure); and proportional lot size. For parcels comprised of separate ground-floor and non-ground-floor parcels (including airspace parcels), both the street frontage and lot size of the ground-floor parcel is allocated proportionately to the ground-floor parcel and each non-ground floor parcel as a ratio of their individual parcel sizes to the collective total of those lot sizes based on either the lot size information contained on the Assessor's secured roll or parcel maps.

Specific street frontage is assigned to a parcel based on its proportional frontage on each street which it borders. Corner parcels and parcels which have street frontage on more than one side are assigned to a Zone for parcel lot size and building size based on the parcel's street (situs) address. If no street (situs) address has been assigned by the County Assessor's Office, parcels are assigned to a Zone based on the Zone designation of the street for which the parcel has the largest frontage or in cases where the parcel may not have street frontage, the parcel is assigned to a Zone based on the street reasonably considered the parcels access point or that is consistent with surrounding parcels. Zone assignment for street frontage is assigned to a parcel separately for each Zone street designation it borders.

It has been determined that each and every parcel within the District, except those identified as exempt parcels, receives a particular and distinct benefit from the Improvements, over and above any general benefit. The safety and security program reduces street disorder and helps prevent crime, thereby protecting the parcels within the District and increasing their attractiveness to tenants, residents, employees, customers and visitors. The maintenance and streetscape program, including trash removal, graffiti cleanup, and street and sidewalk cleaning directly benefits each of the individually assessed parcels in the District adjacent to the streets being maintained. In addition, the marketing and consulting programs promote the District as a place to live, visit, shop, work, worship, and invest, and enhance economic development within the District, thereby benefiting each individually assessed parcel and potential parcel development within the District.

In compliance with Section 36632(a) of the California Streets & Highways Code, the assessments are calculated and shall be levied on the basis of the estimated benefit to real property and parcels may be classified for purposes of determining the benefit to property. Accordingly, the formulas used for calculating the assessment obligation for each individual parcel within the District have been formulated to reflect each parcel's proportional special benefit as compared to other parcels in the District utilizing identifiable variations in each parcel and their overall benefit from the improvements, services and activities proposed in the Management District Plan.

With the exception of the parcels described in the section as Exempt Parcels, all individually assessed parcels within the District boundaries are identified as commercial and/or multi-family residential parcels (properties zoned solely for residential use are not assessed). While the parcels within the District may include various commercial and multi-family residential types, and the specific use or business associated with each parcel may change over the term of the District, the improvements and services to be provided by the District are intended to support all parcels within its boundaries and not one specific use or type. Therefore the method of apportionment established for this District and described herein, reflects the proportional special benefit each parcel receives from the improvements, services and activities based on various parcel characteristics for each individually assessed parcel as compared to other parcels within the District utilizing similarities and differences in street frontage, parcel size and building square footage, rather than variations in the type (land use) of parcel.

Collectively, each parcel's proportional street frontage, parcel lot size and building square footage effectively and fairly represents each parcel's proportional special benefit from the services and activities to be provided as compared to other parcels within the District and each respective Zone reflects varying level and/or frequency of service and ultimately the cost and special benefits apportioned to the individually assessed parcels in each Zone. While other factors such as daily trip generations, operating hours, number of employees and sales receipts are occasionally used for the calculation of special benefit assessments, these factors are primarily business related rather than property related and as such, for this District, it has been determined that these considerations would not be useful or appropriate for the calculation of special benefit given the type of improvements, services and activities to be funded by the assessments and the types of parcels and development within the District.

Accordingly, the formulas used for calculating the assessment obligation for each individual parcel within the District have been formulated to reflect each individually assessed parcel's proportional special benefit as compared to other parcels in the District utilizing identifiable and measurable variations in parcel characteristics (namely each parcel's proportional street frontage along the various street service levels; proportional building square footage and proportional lot size).

### **Exempt Parcels**

In compliance with Streets and Highways Code Section 36632(a), the assessments are calculated and shall be levied on the basis of the estimated benefit to real property and parcels may be classified for the purposes of determining the benefit to parcel.

In general, most parcels owned by government agencies receive similar special benefits from the improvements and services provided by the District and are subject to annual



assessments. The District contains such parcels, including parking structures, garages and parking lots that may be used for public services and future development and that may and shall be subject to annual assessment.

Exempt from District assessments are the areas of public streets, private streets, dedicated public easements, and rights-of-ways including greenbelts and parkways, or any other such parcel that is used for public services. Taking into consideration the improvements and services to be provided by the District and the reasons for such activities as well as their association with various parcels in the District, it has been determined that the following types of parcels shall be exempt (although some or all of these parcel types may not currently exist within the District):

- ♦ **Non-occupied government utility parcels:** Parcels for which their sole purpose is for providing utilities or the right-of-ways for such utilities, such as those owned by the Department of Water and Power (DWP) in which there is no commercial use other than serving as a utility facility or service point.

- ♦ **Residentially zoned parcels:** Pursuant to Streets and Highways Code Section 36632(c), "properties zoned solely for residential use" are presumed to not benefit from the improvements and services funded through a Property and Business Improvement District and shall not be subject to the District assessments. According to the Los Angeles City Clerk and the City of Los Angeles zoning regulations, residential zoning designations including, but not limited to R1, R2 and R3 are exclusively residential zonings and such parcels shall not be subject to the District assessments unless the parcel is rezoned to a zoning designation that is not solely residential. Conversely, residential zoning designations R4 and R5 allow for development that may include uses other than residential, and such parcels would be subject to special benefit assessments based on the assessment formula outlined in the following section.

## **Assessment Formulas**

Upon evaluation of the improvements, and their relationship to the parcels within the District, the costs of the District improvements have each been apportioned by a method and by formulas which fairly distributes the net amount to be assessed among all assessed parcels in proportion to the estimated special benefits to be received by each parcel from the improvements.

For the purpose of calculating the proportional special benefit assessments for parcels within the District, a budget has been established for Zones 1, 2 and 3 which includes and reflects the proportional cost of providing the improvements and level of service proposed for each of those areas. As previously noted, Zone 1 parcels receive the highest level of security and maintenance services and although these parcels represent about 43% of the total assessed parcels, the level of service and activities for this Zone accounts for approximately 65% of the District budget; in Zone 2 parcels receive regular but less frequent or moderate levels of service as compared to Zone 1, and accounts for approximately 13% of the District budget; and, while Zone 3 includes approximately 42% of the total assessed parcels, these parcels receive an overall service level that is less than that of Zones 1 and 2, which accounts for approximately 13% of the District budget.

Similar to the overall allocation of the District budget to the various Zones based on service levels and direct cost for providing those services, the various services and

activities are apportioned to the individual parcels based on the three parcel characteristics identified above (street frontage, building square footage and lot square footage). While each of these factors are certainly appropriate measurements of each parcel's proportional special benefit compared to other parcels, the services and activities to be provided by the District are predominately street frontage related services and activities (i.e. street sweeping, sidewalk services, porter services, and security patrols) and the street frontage of each parcel is clearly the most significant factor and representation of each parcel's proportional special benefits and represents approximately 50%, of the total cost allocation to parcels in the District. Although building and lot size may be less of a factor in determining the proportional special benefit of each parcel receives (approximately 25% of the total cost allocation each) not all services and activities provided by the District are as directly street related (i.e. marketing, refuse and debris control as well as portions of the security efforts). In addition, parcel development (building and lot sizes) often times facilitate the demand for services and certainly the frequency or level of service needed, which makes them an important factor in determining each individually assessed parcel's proportional special benefit and assessment obligation.

The following formulas provide a summary of the assessment calculations:

### Step 1:

#### Parcel Characteristics by Zone

The specific characteristics of each parcel are identified and used to calculate the parcel's proportional special benefit. The following table is a summary of these characteristics:

Parcel Statistics for each Zone	Zone 1	Zone 2	Zone 3	Total
<b>Total Parcels</b>	<b>117</b>	<b>41</b>	<b>115</b>	<b>273</b>
<b>Assessed Parcels</b>	<b>117</b>	<b>41</b>	<b>95</b>	<b>253</b>
<i>Service Level 1 Street Frontage</i>	<i>13,617</i>	<i>133</i>	<i>861</i>	<i>14,611</i>
<i>Service Level 2 Street Frontage</i>	<i>1,032</i>	<i>4,314</i>	<i>583</i>	<i>5,929</i>
<i>Service Level 3 Street Frontage</i>	<i>14,835</i>	<i>2,105</i>	<i>13,678</i>	<i>30,618</i>
<b>Total Street Frontage (Ln. Ft.)</b>	<b>29,484</b>	<b>6,552</b>	<b>15,122</b>	<b>51,158</b>
<b>Total Lot Size (Sq. Ft.)</b>	<b>3,227,257</b>	<b>577,167</b>	<b>1,854,068</b>	<b>5,658,492</b>
<i>Building Sq Ft</i>	<i>3,895,844</i>	<i>477,011</i>	<i>1,454,715</i>	<i>5,827,570</i>
<i>Parking Structure Sq Ft</i>	<i>4,900</i>	<i>110,080</i>	<i>610,246</i>	<i>725,226</i>
<b>Total Building/Structure Size (Sq. Ft.)</b>	<b>3,900,744</b>	<b>587,091</b>	<b>1,921,802</b>	<b>6,409,637</b>

### Step 2:

#### Allocation of Individual Services Costs to Zones

Each of the various services and activities to be provided throughout the District are allocated to the various Zones based on level of service and/or proportional special benefit. The following table shows the overall budget allocation:

Budget Allocation by Service	Zone 1	Zone 2	Zone 3	Total
Maintenance Services & Activities	\$ 234,919	\$ 46,188	\$ 113,857	\$ 394,964
Security & Safety Services & Activities	532,371	79,308	137,046	748,726
Marketing Services & Activities	25,483	4,900	6,951	37,334
Management & Administration	116,690	19,193	37,967	173,850
Fees & Reserves	50,207	8,258	16,336	74,801
<b>Total Budget Allocation</b>	<b>\$ 959,670</b>	<b>\$ 157,849</b>	<b>\$ 312,157</b>	<b>\$ 1,429,675</b>

### Step 3:

#### Allocation of Costs by Characteristics to Zones

The services and activities to be provided throughout the District are allocated to the various characteristics of the parcels within the Zones of the District. The following table shows the budget allocation:

Budget Allocation by Characteristics	Zone 1	Zone 2	Zone 3	Total
Street Frontage (Ln. Ft.)	\$ 460,944	\$ 83,774	\$ 174,402	\$ 719,119
Lot Size (Sq. Ft.)	256,170	39,464	72,283	367,917
Building/Structure Size (Sq. Ft.)	959,670	34,610	65,472	342,638
<b>Total Budget Allocation</b>	<b>\$ 959,670</b>	<b>\$ 157,849</b>	<b>\$ 312,157</b>	<b>\$ 1,429,675</b>

### Step 4:

#### Determination of Parcel Assessment Rates

Based on the parcel characteristics and budget for each Zone, the following rates have been calculated for parcels within each Zone:

Applied Rates per Ln. Ft or Sq. Ft.	Zone 1	Zone 2	Zone 3
Service Level 1 Street Frontage	21.004480	21.004480	21.004480
Service Level 2 Street Frontage	13.475375	13.475375	13.475375
Service Level 3 Street Frontage	10.853992	10.853992	10.853992
<b>Street Frontage (Avg. Rate per Ln. Ft.)</b>	<b>15.633685</b>	<b>12.786022</b>	<b>11.532992</b>
<b>Lot Size (Rate per Sq. Ft.)</b>	<b>0.079377</b>	<b>0.068376</b>	<b>0.038986</b>
Buiding Sq Ft	0.062182	0.058952	0.034068
Parking Structure Sq Ft	0.062182	0.058952	0.034068
<b>Building/Structure Size (Rate per Sq. Ft.)</b>	<b>0.062182</b>	<b>0.058952</b>	<b>0.034068</b>

### Sample Assessment Calculation

As previously noted, each parcel's proportional special benefit and individual assessment obligation is determined by four (4) factors:

- ♦ Zone Designation
- ♦ Street Frontage
- ♦ Building Square Footage
- ♦ Lot Size (Square Footage)

The following provides a sample calculation for a parcel within Zone 1 with the following parcel characteristics:

- ♦ Lot size — 2,500 square feet; and,
- ♦ Building/structural square footage — 6,000 square feet; and,
- ♦ Service Level 1 Street Frontage — 250 linear feet; and,
- ♦ Service Level 3 Street Frontage — 100 linear feet.

The following shows the calculation of this parcel's annual assessment:

2,500 SqFt	x	\$0.079377 (Zone 1 Lot Rate per SqFt)	=	\$198.44
6,000 SqFt	x	\$0.062182 (Zone 1 Building/Structure Rate per SqFt)	=	\$373.09
250 LnFt	x	\$21.004480 (Zone 1 Street Frontage Rate per Ft)	=	\$5,251.12
100 LnFt	x	\$10.853992 (Zone 3 Street Frontage Rate per Ft)	=	<u>\$1,085.40</u>
Total Annual Assessment				<b>\$6,908.05</b>

## **Annual Assessment Adjustments**

For the seven year term of the District renewal, annual assessments may be adjusted by the lesser of the annual increase in the Los Angeles-Riverside-Orange County area Consumer Price Index for All Urban Consumers (CPI-U) or three percent (3%) per year. Actual annual adjustments may range from zero percent (0%) to three percent (3%). Adjustments may differ from year to year depending on the service needs identified by the Board of Directors of the Owners Association.

In addition, over the lifespan of this District, zoning changes which impact parcels previously determined ineligible for assessment (i.e., parcels previously zoned solely for residential use being convert or rezoned to a zoning designation eligible for assessment) may also result in an increase in the assessment revenue and budget.

Any annual budget surplus will be accrued into the following year's District budget and expended within the budget categories outlined in the Management District Plan. Assessments will be set accordingly, within the constraints of the annual adjustment, to adjust for surpluses that are carried forward.

## **Disestablishment**

State law provides for the disestablishment of a Property and Business Improvement District pursuant to an annual review process. Each year that the district is in existence, there will be a 30-day period during which the property owners will have the opportunity to request disestablishment of the District. This 30-day period begins each year on the anniversary day that the District was first established by City Council.

Within that 30-day period, if a written petition is submitted by the owners of real property who pay 50 percent (50%) or more of the assessments levied, the district may be disestablished. The City Council will hold a public hearing on disestablishing the district prior to actually doing so.

## **District Budget**

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The Owners Association will be vested with the responsibility to enter into contracts with service providers and consultants, hire staff, and manage the day-to-day affairs of the District and to make adjustments to the budget categories as the needs of the District dictate, and in accordance with the terms and conditions outlined in the contract between the Owners Association and the City of Los Angeles.

## **Budget Categories**

The services and activities planned for the District over the next seven years are described in detail in the Management District Plan. The budget for the overall District is presented in this section and includes these categories:

- ♦ Safety and Security
- ♦ Maintenance, Streetscape and Beautification
- ♦ Marketing and Consulting
- ♦ District Management, Policy Development and Administration
- ♦ Contingency/City Fees/Reserve for Non-payment

The budget for Zones 1, 2 and 3 is estimated to be approximately \$1,429,675 for the first year (calendar year 2012).

Funds that have accrued at the end of the 2007-2011 term of the Sunset & Vine Improvement District will be placed in a Special Projects Account. The Board of Directors of the Owners Association may utilize the funds in this account to pay for one-time special expenses, capital improvements and infrastructure repairs. The types of projects that are appropriate for this account include: trees and landscaping, lights and repairs to lights, street furniture, and street festivals. The amount that will remain in reserve at the end of year 2011 was not known at the time this report was prepared. However, it is estimated that the reserve at the end of the District's current term will be less than \$30,000. Additionally, delinquent assessments from the 2007-2011 tax years that are paid in the future will also accrue to this Special Projects Account.

At the end of the current term period, if the District is not renewed, its remaining funds shall be returned to the existing parcel owners subject to procedures outlined in state law and the City's contract with the non-profit management association, the Owners Association. The current contract stipulates that if the District is discontinued, then the existing assets of the District shall become the property of the City and shall be used only (1) to pay the City any amount owed to it by the District and (2) to disburse the remaining assets to the owners of assessed parcels. If the District is renewed, any funds that accrue at the end of the seven-year period shall be placed in a Special Projects Account for the District.

## **Budget for Zones 1, 2 and 3**

The budget for the overall District shown on the following page lists the estimated costs of providing the various improvements and services within Zones 1, 2 and 3 of the District for the first year of the renewal, (Calendar Year 2012). This budget is subject to adjustment for the annual inflation factor for each succeeding year of the term of the District as described previously.

Further, as a result of continued development, the District may experience the addition or subtraction of assessable street frontage, land area or building area for parcels included and assessed within the District boundaries. The modification of parcel improvements assessed within the District may result in an increase or decrease in the amount of total assessment for these parcels. In future years, the assessments for the special benefits bestowed upon the included District parcels may change in accordance with the assessment methodology formula described in this Report and the Management District Plan, provided the assessment formula does not increase, other than through the CPI-U adjustment, described in the method of apportionment section of this Report.

The Owners Association will review the District costs annually and make recommendations for any changes or adjustments to the budget. Changes to the budget could result in changes to the annual assessment; however, the resulting total assessment may not exceed the adjusted maximum assessment amounts established in this Report without first obtaining property owner approval through a Proposition 218 assessment ballot proceeding. The adjusted maximum assessment will be calculated each year independent of the annual budget and annual assessment. The allowed Annual Assessment Adjustment shall not constitute an increase above the maximum assessment.

### ***District Budget for 2012***

<b><u>Safety and Security Services – 52%</u></b> Deployment of officers (armed and/or unarmed), office space, training, overtime and court pay, vehicles, homeless outreach activities, video surveillance cameras and maintenance and related services.	\$748,726
<b><u>Maintenance, Streetscape and Beautification- 28%</u></b> Daily service throughout the district including sidewalk pressure washing, street sweeping, trash and graffiti removal, storm drain cleaning, limited tree trimming and star polishing. Services are zone-specific. Also includes expenditures for ongoing maintenance of streetscape elements not maintained by City including trash receptacles, related sidewalk fixtures, and planters.	\$394,964
<b><u>Special Projects: District-wide Improvements, Marketing and Consulting - 3%</u></b> Supports services and/or professional consulting to promote and/or improve the aesthetic character of the entire District; services may include media relations; event planning; promotional materials; pole banners and District branding programs; way finding signage, pedestrian amenities, website development and maintenance, and research.	\$37,334
<b><u>District Mgmt. Policy and Administration - 12%</u></b> Provides for office expense, legal, accounting, telephone, insurance, equipment, technical support, City fees, travel, meals, meetings, etc. Includes staff, payroll taxes, and benefits.	\$173,850
<b><u>Contingency/City Fees/Reserve for Non-Pay - 5%</u></b> Reserve set aside for special needs arising each year relating to security, maintenance, streetscape, special projects or marketing needs. Includes annual administrative fee to City of Los Angeles and reserve for "non pay" of assessments.	\$74,801
<b>District Budget Total</b>	<b>\$1,429,675</b>

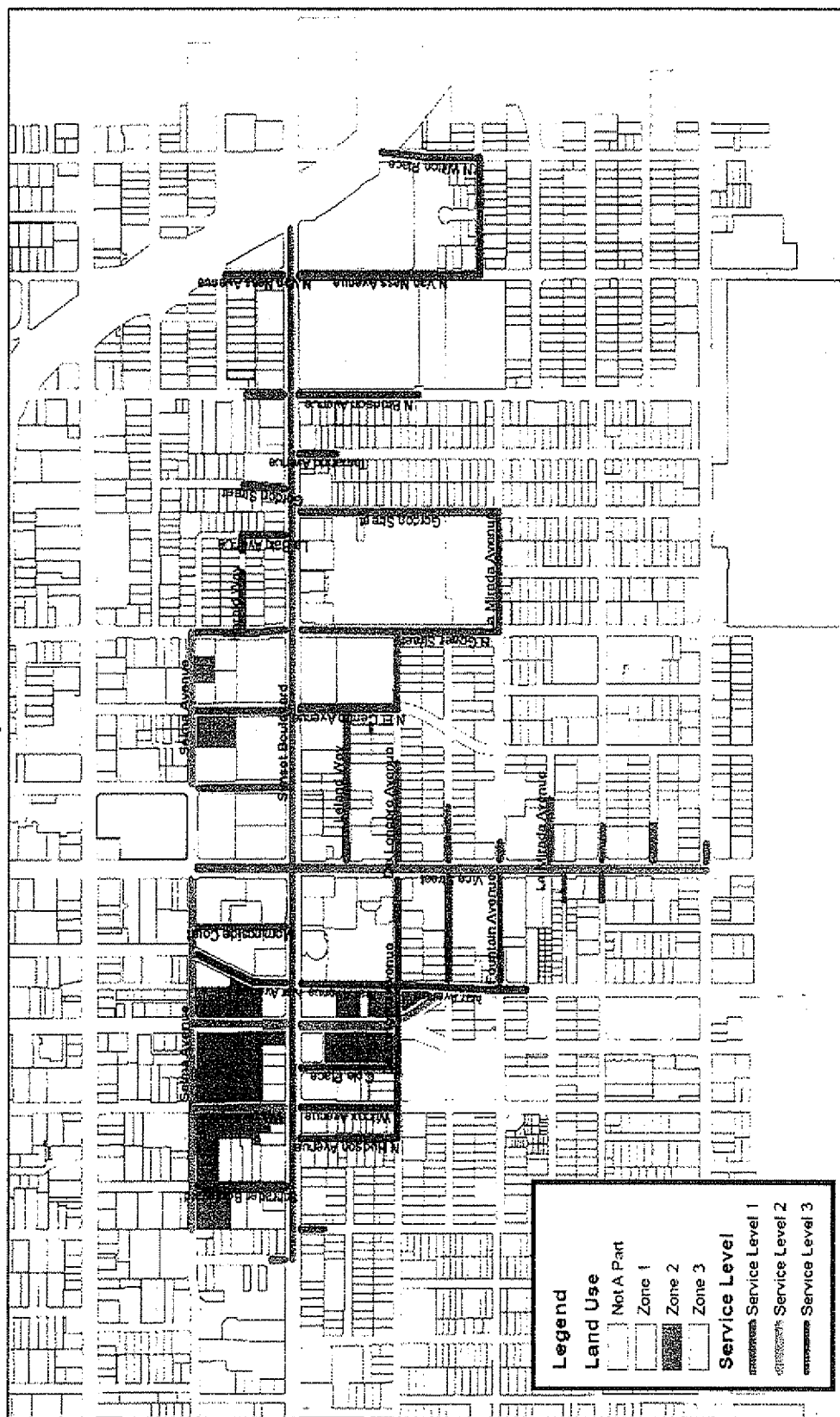


## **Boundary Map**

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The Boundary Map for the District is shown in reduced scale on the following page. The map is inclusive of all parcels identified on the County of Los Angeles Assessor's Parcel Maps to be included within the District. Full size copies of the Boundary Map will be kept on file with the City Clerk of the City of Los Angeles. For the Public Hearing on this District, the Final Engineer's Report will contain an Assessment Diagram.

# Sunset & Vine BID Proposed District Boundaries



## Assessment Roll

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the County Assessor's Map for the year in which this Report is prepared.

The Assessment Roll, which includes a listing of assessor parcels assessed within this District, along with their assessment amounts, is shown following.

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5533-005-001	Zone 1	110	-	-	110	31,850	69,872	\$9,183.43
5533-005-002	Zone 1	55	-	-	55	15,965	17,278	\$3,496.88
5533-005-003	Zone 1	68	-	76	144	5,143	4,221	\$2,923.91
5533-005-051	Zone 1	140	-	340	480	47,590	33,362	\$12,483.06
5533-005-056	Zone 3	-	-	208	208	11,570	45,333	\$4,253.10
5533-005-057	Zone 3	-	-	150	150	18,520	7,100	\$2,592.00
5533-006-003	Zone 1	93	-	128	221	12,086	25,463	\$5,885.42
5533-006-029	Zone 1	115	-	115	230	13,675	12,898	\$5,551.23
5533-007-001	Zone 1	70	-	135	205	9,453	6,020	\$4,060.29
5533-007-002	Zone 1	70	-	-	70	9,460	9,760	\$2,828.12
5533-007-023	Zone 1	100	-	-	100	13,502	9,498	\$3,762.80
5533-007-025	Zone 1	160	-	-	160	33,503	19,214	\$7,214.85
5533-007-028	Zone 1	-	-	-	-	16,200	9,894	\$1,901.14
5533-007-033	Zone 1	55	-	-	55	6,876	10,340	\$2,344.01
5534-001-400	Zone 1	236	-	521	757	65,043	29,858	\$17,631.54
5534-002-001	Zone 1	68	-	198	266	13,525	23,298	\$6,099.68
5534-002-018	Zone 1	82	-	-	82	14,269	13,536	\$3,696.70
5534-002-023	Zone 1	141	-	184	325	27,237	13,475	\$7,958.65
5534-005-001	Zone 1	140	-	70	210	9,829	27,500	\$6,190.62
5534-005-024	Zone 3	125	-	340	465	42,505	20,156	\$8,659.69
5534-006-024	Zone 1	131	-	176	307	24,704	11,562	\$7,341.77
5534-006-025	Zone 3	131	-	176	307	24,339	2,102	\$5,682.38
5545-007-026	Zone 3	-	-	60	60	7,034	-	\$925.47
5545-007-027	Zone 1	50	-	-	50	7,609	7,600	\$2,126.78
5545-007-028	Zone 3	50	-	152	202	8,681	9,450	\$3,360.41
5545-007-029	Zone 1	55	-	134	189	7,370	3,604	\$3,418.79

*Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018*

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5545-007-030	Zone 1	55	-	-	55	7,370	8,930	\$2,295.55
5545-008-002	Zone 1	50	-	-	50	6,706	29,035	\$3,387.97
5545-008-003	Zone 1	50	-	-	50	6,705	150	\$1,591.77
5545-008-004	Zone 1	55	-	-	55	7,376	-	\$1,740.73
5545-008-005	Zone 1	55	-	-	55	7,376	-	\$1,740.73
5545-008-006	Zone 1	55	-	-	55	8,277	9,200	\$2,384.32
5545-008-007	Zone 1	55	-	-	55	7,375	18,144	\$2,868.89
5545-008-013	Zone 3	-	-	45	45	5,403	-	\$699.07
5545-008-014	Zone 3	-	-	45	45	5,403	-	\$699.07
5545-008-015	Zone 3	-	-	45	45	5,402	-	\$699.03
5545-008-040	Zone 1	55	-	309	364	13,980	11,261	\$6,319.05
5545-008-041	Zone 3	-	-	175	175	6,605	8,417	\$2,443.70
5545-008-043	Zone 3	-	-	100	100	12,001	10,000	\$1,893.95
5545-008-400	Zone 1	91	-	129	220	12,632	8,560	\$4,846.54
5545-009-029	Zone 3	-	-	40	40	11,926	-	\$899.11
5545-009-030	Zone 3	-	-	50	50	14,911	-	\$1,124.02
5545-009-031	Zone 1	50	-	-	50	8,247	-	\$1,704.84
5545-009-032	Zone 1	100	-	-	100	16,409	-	\$3,402.95
5545-009-033	Zone 1	148	-	162	310	24,122	-	\$6,781.74
5545-009-035	Zone 1	171	-	268	439	42,333	16,000	\$10,855.82
5545-011-022	Zone 1	50	-	-	50	8,752	6,402	\$2,143.02
5545-011-023	Zone 1	50	-	-	50	8,752	-	\$1,744.93
5545-011-024	Zone 1	50	-	-	50	8,753	-	\$1,745.01
5545-011-025	Zone 1	50	-	-	50	8,752	21,936	\$3,108.95
5545-011-026	Zone 1	96	-	171	267	17,483	1,232	\$5,336.82
5545-011-028	Zone 3	194	-	358	552	41,883	5,616	\$9,784.78
5545-011-029	Zone 1	50	-	175	225	8,790	5,136	\$3,966.76
5545-011-031	Zone 1	245	-	-	245	42,887	86,859	\$13,951.41
5545-013-001	Zone 1	135	-	155	290	20,959	25,592	\$7,772.99
5545-013-002	Zone 3	-	-	50	50	6,762	1,720	\$864.92
5545-013-043	Zone 1	58	-	-	58	10,658	19,546	\$3,279.67
5545-013-051	Zone 1	117	-	-	117	16,553	18,126	\$4,898.56

**Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018**

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5545-013-055	Zone 1	-	-	-	-	900	-	\$71.44
5545-013-056	Zone 1	-	-	-	-	2,250	4,440	\$454.69
5545-013-057	Zone 3	-	-	50	50	6,753	24,311	\$1,634.20
5545-013-058	Zone 3	-	-	46	46	20,855	-	\$1,312.33
5545-013-059	Zone 3	-	-	1,096	1,096	155,945	150,304	\$23,096.20
5545-013-401	Zone 3	106	-	223	329	24,668	63,592	\$7,775.07
5545-013-403	Zone 1	158	-	-	158	35,172	98,472	\$12,233.75
5545-013-404	Zone 3	7	-	1,432	1,439	420,354	400,592	\$45,725.24
5545-014-001	Zone 1	180	-	207	387	37,336	-	\$8,991.21
5545-014-002	Zone 1	30	-	-	30	2,805	1,380	\$938.59
5545-014-003	Zone 1	50	-	93	143	4,673	4,018	\$2,680.42
5545-014-004	Zone 3	-	-	48	48	3,841	1,796	\$731.93
5545-014-005	Zone 3	-	-	45	45	3,601	2,054	\$698.80
5545-014-006	Zone 3	-	-	45	45	4,805	1,612	\$730.68
5545-014-007	Zone 3	-	-	35	35	4,555	2,092	\$628.74
5545-015-001	Zone 1	132	-	81	213	10,751	9,124	\$5,072.49
5545-015-002	Zone 3	-	-	50	50	6,603	-	\$800.12
5545-015-003	Zone 3	-	-	50	50	6,605	-	\$800.20
5545-015-047	Zone 3	-	-	40	40	5,200	8,154	\$914.68
5545-015-048	Zone 3	-	-	40	40	5,040	8,154	\$908.44
5545-015-049	Zone 1	126	-	97	223	13,236	1,742	\$4,858.35
5545-016-007	Zone 1	593	-	1,528	2,121	459,518	297,729	\$84,029.10
5545-016-900	Zone 1	265	-	956	1,221	323,026	138,500	\$50,195.65
5545-019-900	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-901	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-902	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-903	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-904	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-905	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-906	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-907	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-908	Zone 3	-	-	-	-	-	-	\$0.00

*Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018*

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5545-019-909	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-910	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-911	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-912	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-913	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-914	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-915	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-916	Zone 3	-	-	-	-	-	-	\$0.00
5545-019-917	Zone 3	-	-	-	-	-	-	\$0.00
5546-010-017	Zone 1	-	-	17	17	2,968	23,292	\$1,868.45
5546-010-018	Zone 1	108	82	52	242	19,963	-	\$5,522.47
5546-010-019	Zone 1	-	-	17	17	2,967	28,098	\$2,167.22
5546-010-020	Zone 1	-	-	17	17	2,967	28,098	\$2,167.22
5546-010-021	Zone 1	105	79	51	235	19,352	60,782	\$9,139.22
5546-010-022	Zone 1	108	82	52	242	19,963	145,585	\$14,575.24
5546-010-023	Zone 1	3	3	2	8	617	-	\$174.13
5546-010-401	Zone 1	-	-	67	67	7,642	59,893	\$5,058.09
5546-010-402	Zone 1	172	-	52	224	17,728	-	\$5,584.38
5546-010-403	Zone 1	-	-	67	67	7,642	72,251	\$5,826.53
5546-010-404	Zone 1	-	-	67	67	7,642	72,251	\$5,826.53
5546-010-405	Zone 1	172	-	52	224	17,728	46,041	\$8,447.30
5546-010-406	Zone 1	172	-	52	224	17,728	155,211	\$15,235.71
5546-011-017	Zone 1	151	-	205	356	30,975	93,000	\$13,638.38
5546-011-400	Zone 1	100	95	989	1,164	85,757	97,578	\$26,772.86
5546-012-002	Zone 2	-	103	101	204	18,209	20,349	\$4,928.88
5546-012-004	Zone 2	-	40	-	40	6,859	4,200	\$1,255.61
5546-012-005	Zone 2	-	61	-	61	10,461	3,600	\$1,749.51
5546-012-006	Zone 2	-	51	55	106	11,532	10,429	\$2,687.53
5546-012-007	Zone 2	-	52	52	104	8,558	8,211	\$2,334.34
5546-012-009	Zone 3	-	145	279	424	21,101	-	\$5,804.83
5546-012-011	Zone 1	152	145	142	439	23,659	3,882	\$8,807.25
5546-012-400	Zone 2	-	254	-	254	18,450	9,365	\$5,236.38

**Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018**

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-013-002	Zone 2	-	145	-	145	22,900	35,715	\$5,625.21
5546-013-003	Zone 2	-	47	-	47	6,622	6,486	\$1,468.49
5546-013-009	Zone 2	-	20	-	20	6,515	-	\$714.98
5546-013-010	Zone 1	100	150	-	250	15,000	19,600	\$6,531.19
5546-013-011	Zone 1	100	-	-	100	15,017	14,000	\$4,163.00
5546-013-012	Zone 1	66	-	-	66	9,945	9,636	\$2,774.89
5546-013-013	Zone 1	50	-	-	50	7,483	7,500	\$2,110.57
5546-013-014	Zone 2	71	127	-	198	9,026	13,790	\$4,632.80
5546-013-015	Zone 2	-	25	-	25	1,752	1,712	\$557.60
5546-013-016	Zone 2	-	23	-	23	1,645	1,564	\$514.61
5546-013-017	Zone 2	-	-	-	-	249	-	\$17.03
5546-013-018	Zone 2	-	-	-	-	297	-	\$20.31
5546-013-019	Zone 2	-	53	-	53	9,488	-	\$1,362.94
5546-013-020	Zone 2	-	47	-	47	8,314	5,080	\$1,501.30
5546-013-028	Zone 2	-	170	-	170	6,012	5,880	\$3,048.53
5546-013-030	Zone 2	-	203	-	203	41,481	23,448	\$6,954.11
5546-013-031	Zone 2	-	35	-	35	6,174	3,162	\$1,080.20
5546-013-037	Zone 2	-	293	-	293	43,998	24,813	\$8,419.47
5546-013-038	Zone 2	-	166	-	166	6,140	4,320	\$2,911.41
5546-014-013	Zone 3	-	-	310	310	23,375	16,650	\$4,843.27
5546-014-014	Zone 3	-	-	100	100	7,791	-	\$1,389.14
5546-014-016	Zone 3	-	-	48	48	7,200	4,320	\$948.86
5546-014-017	Zone 3	-	-	198	198	7,200	4,848	\$2,594.95
5546-014-029	Zone 3	-	50	50	100	6,912	-	\$1,485.94
5546-014-044	Zone 2	-	150	150	300	20,772	12,336	\$5,796.95
5546-014-047	Zone 1	152	167	166	485	21,964	204,920	\$21,730.61
5546-014-048	Zone 2	-	173	173	346	27,998	110,080	\$12,612.81
5546-014-052	Zone 2	-	153	282	435	20,208	10,659	\$7,132.67
5546-014-053	Zone 2	-	142	288	430	23,945	23,808	\$8,080.24
5546-014-054	Zone 2	-	105	105	210	17,331	4,464	\$4,002.76
5546-014-056	Zone 1	137	-	454	591	33,503	17,136	\$11,530.24
5546-014-058	Zone 1	131	229	221	581	31,700	43,000	\$13,426.26

**Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018**

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-014-900	Zone 3	-	-	210	210	8,962	-	\$2,628.73
5546-015-026	Zone 1	332	-	-	332	25,161	36,704	\$11,253.02
5546-015-029	Zone 1	147	-	-	147	22,169	19,087	\$6,034.24
5546-015-037	Zone 3	-	-	156	156	29,377	96,044	\$6,110.54
5546-015-038	Zone 1	140	-	-	140	52,708	148,190	\$16,339.18
5546-015-039	Zone 3	-	-	53	53	9,903	13,813	\$1,431.92
5546-015-040	Zone 3	-	-	70	70	7,399	9,453	\$1,370.28
5546-015-041	Zone 3	-	-	-	-	2,784	5,569	\$298.26
5546-015-042	Zone 1	219	-	99	318	26,707	3,600	\$8,018.31
5546-015-043	Zone 3	146	-	157	303	21,631	18,500	\$6,244.30
5546-015-046	Zone 1	-	-	-	-	920	-	\$73.03
5546-015-047	Zone 1	125	-	-	125	23,080	18,500	\$5,607.95
5546-015-900	Zone 3	-	-	531	531	99,814	574,797	\$29,237.00
5546-015-901	Zone 3	-	-	70	70	7,399	-	\$1,048.24
5546-015-902	Zone 3	-	-	-	-	2,784	5,569	\$298.26
5546-016-001	Zone 3	-	-	180	180	5,600	3,992	\$2,308.04
5546-016-002	Zone 3	-	-	95	95	13,300	5,390	\$1,733.27
5546-016-003	Zone 3	-	-	50	50	7,000	-	\$815.60
5546-016-004	Zone 3	-	-	50	50	7,000	3,522	\$935.59
5546-016-005	Zone 3	-	-	55	55	7,701	3,970	\$1,032.45
5546-016-008	Zone 3	-	-	50	50	7,001	5,500	\$1,003.01
5546-016-009	Zone 3	-	-	50	50	7,000	5,500	\$1,002.97
5546-016-010	Zone 3	-	-	50	50	7,000	1,250	\$858.19
5546-016-011	Zone 3	-	-	175	175	4,900	2,625	\$2,179.91
5546-016-020	Zone 3	-	-	100	100	14,003	14,939	\$2,140.26
5546-016-022	Zone 1	210	-	345	555	57,093	20,456	\$13,959.43
5546-016-023	Zone 3	-	-	95	95	13,308	11,568	\$1,944.06
5546-016-900	Zone 1	66	-	121	187	8,683	1,740	\$3,497.06
5546-017-006	Zone 2	-	53	46	99	959	-	\$1,279.04
5546-017-027	Zone 2	-	144	255	399	9,950	5,230	\$5,696.88
5546-019-002	Zone 3	-	-	177	177	5,606	-	\$2,139.72
5546-019-003	Zone 3	-	-	50	50	6,997	-	\$815.49



**Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018**

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-019-004	Zone 3	-	-	50	50	6,998	-	\$815.52
5546-019-005	Zone 3	-	-	50	50	6,999	-	\$815.56
5546-019-013	Zone 1	277	-	838	1,115	117,688	118,335	\$31,613.91
5546-019-014	Zone 3	-	-	285	285	20,400	-	\$3,888.70
5546-020-012	Zone 1	136	-	86	222	12,487	3,140	\$4,976.48
5546-020-013	Zone 1	127	-	87	214	11,690	12,048	\$5,288.96
5546-022-015	Zone 3	-	-	50	50	6,759	2,719	\$898.84
5546-022-016	Zone 1	135	-	50	185	6,759	6,133	\$4,296.17
5546-022-019	Zone 3	-	-	50	50	6,997	1,564	\$868.77
5546-022-020	Zone 3	-	-	-	-	-	-	\$0.00
5546-022-021	Zone 3	-	-	-	-	-	-	\$0.00
5546-022-030	Zone 1	140	-	200	340	27,748	23,436	\$8,771.28
5546-023-016	Zone 3	-	-	60	60	6,811	-	\$916.77
5546-023-017	Zone 3	-	-	60	60	6,813	15,216	\$1,435.23
5546-023-030	Zone 3	-	-	48	48	6,593	1,668	\$834.85
5546-023-031	Zone 3	-	-	48	48	6,592	4,279	\$923.77
5546-023-048	Zone 3	-	-	543	543	71,738	48,698	\$10,349.54
5546-023-050	Zone 1	273	-	339	612	42,711	14,055	\$13,677.96
5546-024-019	Zone 1	366	-	465	831	84,429	41,000	\$21,985.93
5546-024-804	Zone 3	-	-	1,072	1,072	128,736	153,831	\$21,895.09
5546-025-001	Zone 1	199	-	471	670	54,143	24,977	\$15,142.95
5546-025-002	Zone 1	132	-	132	264	36,091	54,968	\$10,488.14
5546-025-003	Zone 1	48	-	-	48	6,545	-	\$1,527.74
5546-025-004	Zone 1	50	-	-	50	6,817	-	\$1,591.33
5546-025-005	Zone 1	20	-	-	20	2,727	-	\$636.55
5546-025-006	Zone 1	30	-	-	30	4,090	-	\$954.78
5546-025-007	Zone 1	50	-	-	50	6,816	-	\$1,591.25
5546-025-008	Zone 3	-	-	50	50	6,817	-	\$808.47
5546-025-009	Zone 3	-	-	50	50	6,816	-	\$808.43
5546-025-010	Zone 3	-	-	50	50	6,817	-	\$808.47
5546-025-011	Zone 3	-	-	48	48	6,545	-	\$776.15
5546-025-016	Zone 1	100	-	-	100	13,635	6,488	\$3,586.20

*Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018*

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5546-025-017	Zone 1	50	-	-	50	6,815	5,672	\$1,943.87
5546-025-018	Zone 3	-	-	50	50	6,816	2,174	\$882.49
5546-025-019	Zone 3	-	-	50	50	6,817	-	\$808.47
5546-025-020	Zone 3	-	-	50	50	6,316	2,376	\$869.89
5546-025-029	Zone 1	303	-	60	363	28,765	94,009	\$15,144.55
5546-025-030	Zone 1	96	-	64	160	6,800	3,234	\$3,451.95
5546-026-003	Zone 2	-	45	-	45	5,770	-	\$1,000.92
5546-026-004	Zone 2	-	50	-	50	6,413	-	\$1,112.27
5546-026-005	Zone 2	-	50	-	50	6,413	-	\$1,112.27
5546-026-019	Zone 1	347	-	639	986	113,536	109,198	\$30,026.55
5546-026-020	Zone 2	-	167	239	406	41,121	-	\$7,656.18
5546-026-022	Zone 3	-	192	252	444	48,463	75,158	\$9,772.34
5546-026-024	Zone 3	-	-	128	128	23,190	-	\$2,293.40
5546-026-025	Zone 3	-	-	128	128	21,910	-	\$2,243.49
5546-026-028	Zone 3	-	103	120	223	14,815	-	\$3,268.02
5546-026-029	Zone 3	-	93	120	213	12,933	-	\$3,059.90
5546-026-030	Zone 1	362	-	636	998	113,044	106,947	\$30,130.03
5546-026-031	Zone 1	174	-	326	500	58,604	308,083	\$31,002.21
5546-026-034	Zone 1	509	-	-	509	62,006	25,764	\$17,215.19
5547-017-001	Zone 2	-	191	-	191	6,864	31,865	\$4,921.64
5547-017-003	Zone 2	-	153	-	153	20,674	14,208	\$4,312.93
5547-017-005	Zone 3	-	-	73	73	16,758	-	\$1,445.67
5547-017-006	Zone 3	-	-	73	73	17,431	10,898	\$1,843.17
5547-017-008	Zone 2	-	48	-	48	6,912	-	\$1,119.43
5547-017-012	Zone 2	-	60	-	60	8,608	11,922	\$2,099.93
5547-017-014	Zone 1	50	-	-	50	5,000	4,500	\$1,726.93
5547-017-028	Zone 3	-	-	55	55	13,849	2,409	\$1,218.96
5547-017-029	Zone 2	-	95	144	239	13,646	29,819	\$5,534.08
5547-017-030	Zone 2	-	245	-	245	34,414	52,342	\$8,740.23
5547-017-036	Zone 2	62	168	-	230	13,624	32,376	\$6,406.32
5547-017-037	Zone 1	70	-	-	70	11,537	20,136	\$3,638.18
5547-017-038	Zone 1	200	-	162	362	32,317	22,572	\$9,928.05

**Sunset & Vine PBID Renewal  
Engineer's Report for Calendar Years 2012-2018**

APN	Parcel Zone	Applied Level 1 (Fr.Ft.)	Applied Level 2 (Fr.Ft.)	Applied Level 3 (Fr.Ft.)	Frontage Benefit Units	Lot Benefit Units	Building Benefit Units	Total Assessment
5547-017-039	Zone 3	-	-	60	60	11,974	-	\$1,118.06
5547-017-040	Zone 2	-	-	-	-	2,329	-	\$159.25
5547-018-011	Zone 3	-	-	50	50	7,156	-	\$821.68
5547-018-012	Zone 1	143	-	66	198	7,906	11,074	\$4,916.76
5547-018-023	Zone 1	52	-	-	52	7,619	6,040	\$2,072.58
5547-018-024	Zone 3	52	-	143	195	7,535	3,852	\$3,069.34
5547-018-028	Zone 1	104	-	100	204	35,977	74,026	\$10,728.70
5547-018-029	Zone 2	-	207	215	422	44,534	65,858	\$12,050.53
5547-018-901	Zone 3	-	-	104	104	21,446	-	\$1,964.91
5547-026-001	Zone 1	106	-	344	450	18,226	100,772	\$13,673.17
5547-026-002	Zone 1	136	-	86	222	12,494	8,335	\$5,300.08
5547-026-014	Zone 3	-	-	120	120	6,234	-	\$1,545.52
5547-026-015	Zone 3	-	-	100	100	5,297	-	\$1,291.91
5547-026-016	Zone 3	-	-	100	100	5,299	-	\$1,291.99
5547-026-017	Zone 3	-	-	100	100	5,300	2,950	\$1,392.53
5547-026-018	Zone 3	-	-	71	71	3,711	1,706	\$973.43
5547-026-023	Zone 3	50	-	160	210	8,000	8,000	\$3,371.29
5547-026-024	Zone 1	150	-	-	150	24,001	24,193	\$6,560.17
5547-026-025	Zone 1	50	-	-	50	7,999	14,500	\$2,586.80
5547-026-026	Zone 1	50	-	-	50	8,001	7,311	\$2,139.93
5547-026-900	Zone 3	-	-	180	180	9,549	1,350	\$2,371.99
5547-026-901	Zone 3	-	-	68	68	3,712	1,450	\$932.19
5547-026-902	Zone 3	-	-	206	206	5,308	1,130	\$2,481.36
<b>Total</b>		<b>14,611</b>	<b>5,929</b>	<b>30,618</b>	<b>51,158</b>	<b>5,658,492</b>	<b>6,409,637</b>	<b>\$1,429,674.81</b>

# STANDARD PROVISIONS FOR CITY CONTRACTS

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## STANDARD PROVISIONS FOR CITY CONTRACTS

### **PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN**

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one **CONTRACTOR** herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

### **PSC-2. NUMBER OF ORIGINALS**

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the **CITY'S** option, one or more additional original texts of this Contract may also be retained by the City.

### **PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT**

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

**PSC-4. TIME OF EFFECTIVENESS**

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR** hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

**PSC-5. INTEGRATED CONTRACT**

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

**PSC-6. AMENDMENT**

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

**PSC-7. EXCUSABLE DELAYS**

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

**PSC-8. BREACH**

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

**PSC-9. WAIVER**

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

**PSC-10. TERMINATION**

**A. TERMINATION FOR CONVENIENCE**

The **CITY** may terminate this Contract for the **CITY'S** convenience at any time by giving **CONTRACTOR** thirty days written notice thereof. Upon receipt of said notice, **CONTRACTOR** shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to affect such termination. Thereafter, **CONTRACTOR** shall have no further claims against the **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon the date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

**B. TERMINATION FOR BREACH OF CONTRACT**

1. Except for excusable delays as provided in PSC-7, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the **CITY** may give **CONTRACTOR** written notice of such default. If **CONTRACTOR** does not cure such default or provide a plan to cure such default which is acceptable to the **CITY** within the time permitted by the **CITY**, then the **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then the **CITY** may immediately terminate this Contract.
3. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates the



**CITY'S** lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**PSC-11. INDEPENDENT CONTRACTOR**

**CONTRACTOR** is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

**PSC-12. CONTRACTOR'S PERSONNEL**

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so by the **CITY**.

**CONTRACTOR** shall not use subcontractors to assist in performance of this Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of

this Contract. The **CITY** has the right to approve **CONTRACTOR'S** subcontractors, and the **CITY** reserves the right to request replacement of subcontractors. The **CITY** does not have any obligation to pay **CONTRACTOR'S** subcontractors, and nothing herein creates any privity between the **CITY** and the subcontractors.

**PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION**

**CONTRACTOR** may not, unless it has first obtained the written permission of the **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

**PSC-14. PERMITS**

**CONTRACTOR** and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance hereunder and shall pay any fees required therefor. **CONTRACTOR** certifies to immediately notify the **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

**PSC-15. CLAIMS FOR LABOR AND MATERIALS**

**CONTRACTOR** shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), against **CONTRACTOR'S** rights to payments hereunder, or against the **CITY**, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

**PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED**

If applicable, **CONTRACTOR** represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, **CONTRACTOR** shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

**PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS**

**CONTRACTOR** shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the **CITY**. These records shall be retained for a period of no less than three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized **CITY** personnel or by the **CITY'S** representative at any time during the term of this Contract or within the three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. **CONTRACTOR** shall provide any reports requested by the **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

#### **PSC-18. FALSE CLAIMS ACT**

**CONTRACTOR** acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the **CITY** under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

#### **PSC-19. BONDS**

All bonds which may be required hereunder shall conform to **CITY** requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

#### **PSC-20. INDEMNIFICATION**

Except for the active negligence or willful misconduct of the **CITY**, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, **CONTRACTOR** undertakes and agrees to defend, indemnify and hold harmless the **CITY** and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by **CONTRACTOR** or its subcontractors of any tier. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-20 shall survive expiration or termination of this Contract.

#### **PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION**

**CONTRACTOR**, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the **CITY**, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the **CITY'S** actual or intended use of any Work Product furnished by **CONTRACTOR**, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-21 shall survive expiration or termination of this Contract.

#### **PSC-22. INTELLECTUAL PROPERTY WARRANTY**

**CONTRACTOR** represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

#### **PSC-23. OWNERSHIP AND LICENSE**

Unless otherwise provided for herein, all Work Products originated and prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the **CITY** for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. **CONTRACTOR** hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by **CONTRACTOR** under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

For all Work Products delivered to the **CITY** that are not originated or prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract, **CONTRACTOR** hereby grants a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

**CONTRACTOR** shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

#### **PSC-24. INSURANCE**

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

#### **PSC-25. DISCOUNT TERMS**

**CONTRACTOR** agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

#### **PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR**

**CONTRACTOR** warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

#### **PSC-27. NON-DISCRIMINATION**

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

#### **PSC-28. EQUAL EMPLOYMENT PRACTICES**

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
  - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of **CITY** contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of **CITY** contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Hiring practices;
  2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  3. Training and promotional opportunities; and
  4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR'S** Contract with the **CITY**.

**PSC-29. AFFIRMATIVE ACTION PROGRAM**

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to



their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of **CITY** contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of **CITY** contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a **CITY** contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a **CITY** contract, there may be deducted from the amount payable to **CONTRACTOR** by the **CITY** under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a **CITY** contract.

- H. Notwithstanding any other provisions of a **CITY** contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in **CITY** contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the **CITY**. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
  - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
  - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the **CITY** with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  2. Classroom preparation for the job when not apprenticeable;
  3. Pre-apprenticeship education and preparation;
  4. Upgrading training and opportunities;
  5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
  6. The entry of qualified women, minority and all other journeymen into the industry; and
  7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the **CITY'S** Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the **CITY** and may be used at the discretion of the **CITY** in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the **CITY** and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

#### **PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS**

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

**CONTRACTOR** certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

**PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER  
RETENTION ORDINANCE**

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
  2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
  3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
  4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

**PSC-32. AMERICANS WITH DISABILITIES ACT**

**CONTRACTOR** hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

**PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE**

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

**PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM**

**CONTRACTOR** agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

**PSC-35. EQUAL BENEFITS ORDINANCE**

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

**CONTRACTOR** shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922."

#### **PSC-36. SLAVERY DISCLOSURE ORDINANCE**

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.



## **EXHIBIT 1**

### **INSURANCE CONTRACTUAL REQUIREMENTS**

**CONTACT** For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at [www.lacity.org/cao/risk](http://www.lacity.org/cao/risk). The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

### **CONTRACTUAL REQUIREMENTS**

#### **CONTRACTOR AGREES THAT:**

1. **Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. **Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. **Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. **Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. **Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. **Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

## Required Insurance and Minimum Limits

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Agreement/Reference: \_\_\_\_\_

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

☒ **Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)**
WC StatutoryEL \$1,000,000☐ Waiver of Subrogation in favor of City☐ Longshore & Harbor Workers☐ Jones Act
☒ **General Liability**
\$1,000,000☒ Products/Completed Operations☐ Sexual Misconduct \_\_\_\_\_☐ Fire Legal Liability \_\_\_\_\_☒ \_\_\_\_\_
☐ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

☒ **Professional Liability** (Errors and Omissions)
Discovery Period 12 Months After Completion of Work or Date of Termination
☐ **Property Insurance** (to cover replacement cost of building - as determined by insurance company)
☐ All Risk Coverage☐ Boiler and Machinery☐ Flood \_\_\_\_\_☐ Builder's Risk☐ Earthquake \_\_\_\_\_☐ \_\_\_\_\_
☐ **Pollution Liability**
☐ \_\_\_\_\_
☐ **Surety Bonds - Performance and Payment (Labor and Materials) Bonds**
100% of the contract price
☐ **Crime Insurance**
**Other:** Directors and Officers Liability Coverage is required with minimum limits of \$ 1,000,000.

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

**7. California Licensee.** All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

**8. Aggregate Limits/Impairment.** If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

**9. Commencement of Work.** For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Please have your insurance agent submit the insurance certificates electronically through City's Track4LA Insurance Tracking System which is located on our website:

<http://track4la.lacity.org>

The agent will get an approval number when the process is complete.

As outlined in the Contract, it is your responsibility to make sure that your insurance requirements are in effect during the duration of the contract. Please understand that we are unable to process any payments until acceptable insurance is provided.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
02/01/2011

SSU-MH1 Ex.1

**PRODUCER**  
RICK CHRISTOPHER LA RUE - Rick LaRue (805) 579-1900  
Insurance West  
2450 TAPO STREET  
  
SIMI VALLEY, CA 93063

**INSURED**  
Central Hollywood Coalition ( Kerry Morrison (323)  
463-6767 )  
1680 Vine St., Suite 414  
Hollywood CA 90028

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Philadelphia Indemnity Insurance Company	18058
INSURER B:	Great American Insurance Company	16691
INSURER C:		
INSURER D:		
INSURER E:		

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR/ADD'L LTR/INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	PHPK668397	01/29/2011	01/29/2012	EACH OCCURRENCE	\$ 1,000,000
					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
					MED EXP (Any one person)	\$ 5,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
						\$
						\$
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	PHPK668397	01/29/2011	01/29/2012	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
						\$
	<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN EA ACC	\$
					AUTO ONLY: AGG	\$
A	<input checked="" type="checkbox"/> EXCESS / UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	PHUB332049	01/29/2011	01/29/2012	EACH OCCURRENCE	\$ 5,000,000
					AGGREGATE	\$ 5,000,000
						\$
						\$
						\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below  OTHER				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
					E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$
B	Directors & Officers Liability	EPP8185030	01/26/2011	01/26/2012	\$5,000,000.00	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER	CANCELLATION
City of Los Angeles and all of its Agencies, Boards and Departments 200 North Main Street, City Hall East, Suite 1240, Los Angeles, CA 90012	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  AUTHORIZED REPRESENTATIVE <u>RICK CHRISTOPHER LA RUE</u>

77448

SSV. CITO EX. 1

City of Los Angeles  
Request for Waiver  
Workers' Compensation Insurance Requirement

Business

Legal Name: Central Hollywood Coalition

Address: c/o HPOA 1680 Vine Street #414  
Hollywood CA 90028

Legal Form ☐ Sole Proprietor ☐ Limited Partnership ☐ General Partnership ☒ Corporation  
☐ Business Trust ☐ Limited Liability Company ☐ Other: \_\_\_\_\_

Contact Person (Name and Telephone): Mike Pogorzelski (310) 247-3027

City Reference

City Agency City Clerk Contact Name/Telephone R. J. 213-978-1121

Document Reference: \_\_\_\_\_ Any work performed on City Premises? ☐ Yes ☒ No  
(bid, contract, job no., location, etc.)

Nature of work to be performed for City: BEO Administration Sunset + Vine PBM

Declaration:

With respect to the above-mentioned business, I hereby warrant that the business has no employees other than the owners, officers, directors, partners or other principals who have elected to be exempt from Worker's Compensation coverage in accordance with California law. I further warrant that I understand the requirements of Section 3700 et seq. of the California Labor Code with respect to providing Worker's Compensation coverage for any employees of the above mentioned business. I agree to comply with the code requirements and all other applicable laws and regulations regarding workers compensation, payroll taxes, FICA and tax withholding and similar employment issues. I further agree to hold the City of Los Angeles harmless from loss or liability which may arise from the failure of the above-mentioned business to comply with any such laws or regulations. I therefore request that the City of Los Angeles waive its requirement for evidence of Workers' Compensation insurance in connection with the above-referenced work.

Signature

Michael B. [Signature]  
Owner, Officer, Director, Partnership or other Principal

Risk Management Approval:

President, Sunset-Vine B/O  
Title

January 4, 2011  
Date

SSV - 01/11/11

City of Los Angeles

CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT  
OBLIGATIONS

This document must be returned with the Proposal/Bid Response

The undersigned hereby agrees that Central Hollywood Coalition will:  
Name of Business

1. Fully comply with all applicable State and Federal employment reporting requirements for its employees.
2. Fully comply with and implement all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment.
3. Certify that the principal owner(s) of the business are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally.
4. Certify that the business will maintain such compliance throughout the term of the contract.

I declare under penalty of perjury that the foregoing is true and was executed at:

Los Angeles, CA

City/County/State

12/20/11

Date

Central Hollywood Coalition

Name of Business

Address

M. P. [Signature]

Signature of Authorized Officer or Representative

Michael Pogorzelski

Print Name

President

Title

(310) 247-3027

Telephone Number

**LWO – DEPARTMENTAL DETERMINATION FORM****REQUIRED DOCUMENTATION FOR ALL CONTRACTS**

This form will aid Awarding Departments with determining whether or not a contract is subject to the LWO. It must be completed by the AWARDING DEPARTMENT and submitted to the Office of Contract Compliance **AFTER THE CONTRACT HAS BEEN EXECUTED**. INCOMPLETE SUBMISSIONS WILL BE RETURNED. Please refer to the endnotes for more details.

AWARDING DEPARTMENT INFO			
Dept: <u>City Club</u>		Contract Administrator: <u>Mark Sam</u>	
		Contact Phone: <u>213-978-1101</u> MS# <u>159</u>	
CONTRACT INFO			
Contractor Name: <u>Central Hollywood Coalition</u>		Contract #	
Contractor Address: <u>1680 Vine St. 4th Fl</u>		City: <u>Hollywood</u> State: <u>CA</u> Zip: <u>90028</u>	
Project/Contract Name: <u>Sunset + Love 12 Block</u>			
Purpose of Contract: <u>Administration of Bus Imp. Dist.</u>			
Contract Amount: \$ <u>N/A</u>		Term: Start Date <u>1/1/2012</u> End Date <u>12/31/2018</u>	
SECTION I:			
DETERMINING APPLICABILITY TO LWO			
1 Check off <b>ONE</b> box that best describes the contract, then Continue to #2: This is a <input checked="" type="checkbox"/> New Contract <input type="checkbox"/> Contract Amndmt # --			
2 If you checked off "New Contract" above, SKIP to Question #5 to determine whether this New contract is subject to the LWO.			
3 If you checked off "Contract Amendment" Please answer the following questions about the original contract:			
a Was the original contract subject to the LWO?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
b Was the original contract approved for an exemption?		<input type="checkbox"/> Yes <input type="checkbox"/> No If YES, please note what type of exemption it received:	
4 If you checked off YES to 3a OR 3b, THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC. If you checked off NO to 3a AND 3b, Continue to #5 to determine whether this Contract Amendment is subject to the LWO.			
5 Check off <b>ONE</b> box in Parts A, B, C or D below that best describes the contract, then Continue to #6:			
These are contracts NOT SUBJECT, NOT APPLICABLE to LWO:		These contracts MAY or MAY NOT BE SUBJECT, or MAY or MAY NOT BE APPLICABLE to LWO:	
PART A		PART B	PART C
<input type="checkbox"/> Service contract that is less than 3 months <u>OR</u> \$25,000 or less <sup>1</sup> <input type="checkbox"/> Other governmental entity <sup>2</sup> <input type="checkbox"/> Purchase or rental of goods, equipment, property <sup>3</sup> <input type="checkbox"/> Construction contract <sup>4</sup> <input checked="" type="checkbox"/> Funded by Business Improvement District (BID) assessment money <sup>5</sup> <input type="checkbox"/> Financial assistance is below <u>both</u> LWO CFAR thresholds: <sup>6</sup> (a) Financial assistance must be less than \$1 Million in a 12-month period <u>AND</u> (b) Is less than \$100,000 if on a continuing basis (such as a loan at a rate lower than the Applicable Federal Rate).		<input type="checkbox"/> Service contract that is at least 3 months AND over \$25,000.	<input type="checkbox"/> Public leases or licenses <input type="checkbox"/> City Financial Assistance Recipient (CFAR) <sup>7</sup>
6 If you checked off any box in Part A - THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC.			
7 If you checked off a box in Part B or C, SKIP TO #9.			
8 If you checked off the box in Part D, SKIP TO #13.			
9 If you have a service contract, answer questions a, c and d ONLY, then Continue to #10. If you have a public lease/license, answer questions b, c and d ONLY, then Continue to #10.			YES NO
a Are some of the services rendered by employees whose work site is on property owned by the City?			<input type="checkbox"/> <input type="checkbox"/>
b Are the services rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities)?			<input type="checkbox"/> <input type="checkbox"/>
c Could the services feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources?			<input type="checkbox"/> <input type="checkbox"/>
d Has the DAA determined in writing that coverage would further the proprietary interests of the City?			<input type="checkbox"/> <input type="checkbox"/>
10 If you checked off <b>ANY</b> boxes in the YES column, this contract is <b>APPLICABLE TO THE LWO</b> (it is <b>SUBJECT</b> ). Continue onto SECTION II. Otherwise, continue to #11.			
11 You DID NOT check off <b>ANY</b> boxes in the YES column. This contract is <b>NOT APPLICABLE TO THE LWO</b> (it is <b>NOT SUBJECT</b> ). Fill and submit LW-10, OCC Exemption Application for approval prior to contract execution found here: <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a> , then Continue to #12.			
12 Has the exemption been approved? If YES, THIS FORM IS NOW COMPLETE – <u>Once the contract has been executed</u> , SUBMIT LW-1, Page 1 <u>ONLY</u> and the APPROVED EXEMPTION FORM to OCC. If NO, Continue onto SECTION IV.			
13 Answer the following question to determine whether the CFAR is subject to the LWO, then Continue to #14.			YES NO
a Does the agreement intend to promote economic development?			<input type="checkbox"/> <input type="checkbox"/>
14 If you checked off NO this contract is <b>NOT APPLICABLE TO THE LWO</b> (it is <b>NOT SUBJECT</b> ). PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC. Otherwise, Continue to Question #15.			
15 Answer the following questions to determine whether the CFAR is subject to the LWO:			YES NO
a Is the Financial Assistance given in a 12-month period and above \$1 Million?			<input type="checkbox"/> <input type="checkbox"/>
b Is the Financial Assistance \$100,000 or more on a continuing basis?			<input type="checkbox"/> <input type="checkbox"/>
16 If you checked off <b>ANY</b> boxes in the YES column, this contract is <b>APPLICABLE TO THE LWO</b> (it is <b>SUBJECT</b> ). Continue onto SECTION II. Otherwise, this contract is <b>NOT APPLICABLE TO THE LWO</b> (it is <b>NOT SUBJECT</b> ). PLEASE SUBMIT PAGE 1 <u>ONLY</u> TO OCC.			



SSV- 1411

EX. 4

**CERTIFICATION REGARDING COMPLIANCE WITH THE  
AMERICANS WITH DISABILITIES ACT**

The undersigned certifies, that to the best of his/her knowledge and belief, that:

1. The Contractor/Borrower/Agency (hereafter Contractor) is in compliance with and will continue to comply with the Americans with Disabilities Act 42 U.S.C. 12101 et seq. and its implementing regulations.
2. The Contractor will provide for reasonable accommodations to allow qualified individuals with disabilities to have access to and participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act.
3. The Contractor will not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.
4. The Contractor will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative Contracts) and that all subrecipients shall certify and disclose accordingly.
5. This certification is a material representation of fact upon which reliance was placed when the parties entered into this transaction.

Contract NUMBER \_\_\_\_\_

CONTRACTOR/BORROWER/AGENCY \_\_\_\_\_

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE \_\_\_\_\_

SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

*Michael Pasunzelski*  
Michael Pasunzelski, President CHC  
December 20, 2011

SSU EHC-EX.5

CITY OF LOS ANGELES  
CONTRACTOR RESPONSIBILITY ORDINANCE

CRO QUESTIONNAIRE RECEIPT VERIFICATION FORM

To verify the Contractor Responsibility Ordinance's (CRO) compliance, this form must be completed by the Awarding Authority and submitted to the appropriate Designated Administrative Agency (DAA) along with the Responsibility Questionnaires. Upon receipt of the Questionnaires, the DAA will return this signed form to the Awarding Authority. **The Awarding Authority must attach the certified form to each draft contract for review by the Office of the City Attorney. No contract may be executed unless a certified Receipt Verification Form indicates that the CRO requirement has been met.**

1. Information Regarding Proposed Contract

Project Name/Description: SUNSET & VINE BUSINESS IMPROVEMENT DISTRICT

RFB/RFQ/RFP # (if any):	Date RFB/RFQ/RFP Released:
Procuring Dept.: CITY CLERK	Mail Stop #: 159
Name of Dept. Contact: RICK SCOTT	Phone: (213) 978-1121

2. Questionnaires Are Submitted for the Following Bidders/Proposers/Proposed Contractors:

Company Name:	CENTRAL HOLLYWOOD COALITION		
Company Address:	1680 VINE STREET, #414		
City:	LOS ANGELES	State:	CA
		Zip:	90028

Company Name:			
Company Address:			
City:		State:	
		Zip:	

Company Name:			
Company Address:			
City:		State:	
		Zip:	

Company Name:			
Company Address:			
City:		State:	
		Zip:	

FOR DAA USE ONLY – VERIFICATION REGARDING RECEIPT

The Responsibility Questionnaires for the bidders/proposers/proposed contractors listed above were received on (date) 1/11/12.

The Questionnaires were processed by:

☒ Dept. of Public Works for Construction Contracts and **Service** Contracts  
☐ Dept. of General Services for Procurement Contracts

Authorized DAA Representative (Print Name) Seffy Wiles Phone (213) 847-2408

DAA Representative Signature Seffy Wiles Date 1/11/12

## PLEDGE OF COMPLIANCE WITH CONTRACTOR RESPONSIBILITY ORDINANCE

Los Angeles Administrative Code (LAAC) Section 10.40 et seq. (Contractor Responsibility Ordinance) provides that, unless specifically exempt, City contractors working under service contracts of at least \$25,000 and three months, contracts for the purchase of goods and products of at least \$100,000, contracts for the purchase of garments of at least \$25,000, and construction contracts of any amount; public lessees; public licensees; and certain recipients of City financial assistance or City grant funds, shall comply with all applicable provisions of the Ordinance. Upon award of a City contract, public lease, public license, financial assistance or grant, the contractor, public lessee, public licensee, City financial assistance recipient, or grant recipient, and any its subcontractor(s), shall submit this Pledge of Compliance to the awarding authority.

The contractor agrees to comply with the Contractor Responsibility Ordinance and the following provisions:

- (a) To comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (b) To notify the awarding authority within 30 calendar days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor did not comply with any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (c) To notify the awarding authority within 30 calendar days of all findings by a governmental agency or court of competent jurisdiction that the contractor has violated any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (d) If applicable, to provide the awarding authority, within 30 calendar days, updated responses to the Responsibility Questionnaire if any change occurs which would change any response contained within the Responsibility Questionnaire and such change would affect the contractor's fitness and ability to continue the contract.
- (e) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (f) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, sublicensee that perform or assist in performing services on the leased or licensed premises) submit a Pledge of Compliance.
- (g) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with paragraphs (b) and (c).

Failure to complete and submit this form to the Awarding Authority may result in withholding of payments by the City Controller, or contract termination.

Central Hollywood Coalition 90 HPOA  
Company Name, Address and Phone Number 1680 Vine St. #414 Los Angeles

Signature of Officer or Authorized Representative

12/20/91 CA 90028  
Date

Michael Pozorzelski, President CHC  
Print Name and Title of Officer or Authorized Representative

City Clerk / ASD / SAS  
Awarding City Department

Contract Number

EXHIBIT 5

CITY OF LOS ANGELES  
CONTRACTOR RESPONSIBILITY ORDINANCE

**CRO QUESTIONNAIRE RECEIPT VERIFICATION FORM**

To verify the Contractor Responsibility Ordinance's (CRO) compliance, this form must be completed by the Awarding Authority and submitted to the appropriate Designated Administrative Agency (DAA) along with the Responsibility Questionnaires. Upon receipt of the Questionnaires, the DAA will return this signed form to the Awarding Authority. The Awarding Authority must attach the certified form to each draft contract for review by the Office of the City Attorney. No contract may be executed unless a certified Receipt Verification Form indicates that the CRO requirement has been met.

**1. Information Regarding Proposed Contract**

Project Name/Description: Central Hollywood Coalition

---

RFB/RFQ/RFP # (if any): \_\_\_\_\_ Date RFB/RFQ/RFP Released: \_\_\_\_\_

Procuring Dept.: City Clerk / ASD / SAS Mail Stop #: 159

Name of Dept. Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

**2. Questionnaires Are Submitted for the Following Bidders/Proposers/Proposed Contractors:**

Company Name: Central Hollywood Coalition

Company Address: 1680 Vine St #414

City: Los Angeles State: CA Zip: 90028

---

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

---

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

---

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**FOR DAA USE ONLY – VERIFICATION REGARDING RECEIPT**

The Responsibility Questionnaires for the bidders/proposers/proposed contractors listed above were received on (date) \_\_\_\_\_.

The Questionnaires were processed by: \_\_\_\_\_

☒ Dept. of Public Works for Construction Contracts and ☐ Contracts  
☐ Dept. of General Services for Procurement Contracts

Authorized DAA Representative (Print Name) Seffy Wiles Phone (213) 847-2408

DAA Representative Signature \_\_\_\_\_ Date \_\_\_\_\_

# CITY OF LOS ANGELES RESPONSIBILITY QUESTIONNAIRE

**RESPONSES TO THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE MUST BE SUBMITTED ON THIS FORM**  
In responding to the Questionnaire, neither the City form, nor any of the questions contained therein may be retyped, recreated, modified, altered, or changed in any way, in whole or in part. Bidders or Proposers that submit responses on a form that has been retyped, recreated, modified, altered, or changed in any way shall be deemed non-responsive.

The signatory of this Questionnaire guarantees the truth and accuracy of all statements and answers to the questions herein. Failure to complete and return this questionnaire, any false statements, or failure to answer (a) question(s) when required, may render the bid/proposal non-responsive. All responses must be typewritten or printed in ink. Where an explanation is required or where additional space is needed to explain an answer use the Responsibility Questionnaire Attachments. Submit the completed form and all attachments to the awarding authority. Retain a copy of this completed form for future reference. Contractors must submit updated information to the awarding authority if changes have occurred that would render any of the responses inaccurate in any way. Updates must be submitted to the awarding authority within 30 days of the change(s).

## A. CONTACT INFORMATION

### CITY DEPARTMENT INFORMATION

City Clerk / ASD / SAS PICK SCOTT 213/978 1121  
City Department/Division Awarding Contract City Contact Person Phone  
SUNSET & VINE BUSINESS IMPROVEMENT DISTRICT  
City Bid or Contract Number (If applicable) and Project Title

### BIDDER/CONTRACTOR INFORMATION

Central Hollywood Coalition  
Bidder/Proposer Business Name  
1680 Vine St #414 Los Angeles CA 90028  
Street Address City State Zip  
Michael Pogorzelski 310) 247-3027 310) 247-3032  
Contact Person, Title Phone Fax

### TYPE OF SUBMISSION:

The Questionnaire being submitted is:

- ☐ An initial submission of a completed Questionnaire.  
☒ An update of a prior Questionnaire dated 12 / 13 / 2006.  
☒ No change. I certify under penalty of perjury under the laws of the State of California that there has been no change to any of the responses since the last Responsibility Questionnaire dated \_\_\_\_/\_\_\_\_/\_\_\_\_ was submitted by the firm. Attach a copy of that Questionnaire and sign below.

Michael Pogorzelski President, CHC Am. B. 12/20/11  
Print Name, Title Signature Date

TOTAL NUMBER OF PAGES SUBMITTED, INCLUDING ALL ATTACHMENTS: \_\_\_\_\_

**B. BUSINESS ORGANIZATION/STRUCTURE**

Indicate the organizational structure of your firm. "Firm" includes a sole proprietorship, corporation, joint venture, consortium, association, or any combination thereof.

☒ **Corporation:** Date incorporated: 10 / 31 / 01 State of incorporation: CA

List the corporation's current officers.

President: Michael Pogorzelsk

Vice President: Brian Folb and Roxanna Sassarian

Secretary: Carol Massie

Treasurer: Duke Gallagher

☐ Check the box only if your firm is a publicly traded corporation.

List those who own 5% or more of the corporation's stocks. Use Attachment A if more space is needed. Publicly traded corporations need not list the owners of 5% or more of the corporation's stocks.

\_\_\_\_\_  
\_\_\_\_\_

☐ **Limited Liability Company:** Date of formation: \_\_\_\_/\_\_\_\_/\_\_\_\_ State of formation: \_\_\_\_

List members who own 5% or more of the company. Use Attachment A if more space is needed.

\_\_\_\_\_  
\_\_\_\_\_

☐ **Partnership:** Date formed: \_\_\_\_/\_\_\_\_/\_\_\_\_ State of formation: \_\_\_\_

List all partners in your firm. Use Attachment A if more space is needed.

\_\_\_\_\_  
\_\_\_\_\_

☐ **Sole Proprietorship:** Date started: \_\_\_\_/\_\_\_\_/\_\_\_\_

List any firm(s) that you have been associated with as an owner, partner, or officer for the last five years. Use Attachment A if more space is needed. Do not include ownership of stock in a publicly traded company in your response to this question.

\_\_\_\_\_  
\_\_\_\_\_

☐ **Joint Venture:** Date formed: \_\_\_\_/\_\_\_\_/\_\_\_\_

List: (1) each firm that is a member of the joint venture and (2) the percentage of ownership the firm will have in the joint venture. Use Attachment A if more space is needed. Each member of the Joint Venture must complete a separate Questionnaire for the Joint Venture's submission to be considered as responsive to the invitation.

\_\_\_\_\_  
\_\_\_\_\_

**C. OWNERSHIP AND NAME CHANGES**

1. Is your firm a subsidiary, parent, holding company, or affiliate of another firm?

☐ Yes ☒ No

If Yes, explain on Attachment A the relationship between your firm and the associated firms. Include information about an affiliated firm only if one firm owns 50% or more of another firm, or if an owner, partner or officer of your firm holds a similar position in another firm.

2. Has any of the firm's owners, partners, or officers operated a similar business in the past five years?

☐ Yes ☒ No

If Yes, list on Attachment A the names and addresses of all such businesses, and the person who operated the business. Include information about a similar business only if an owner, partner or officer of your firm holds a similar position in another firm.

3. Has the firm changed names in the past five years?

☐ Yes ☒ No

If Yes, list on Attachment A all prior names, addresses, and the dates they were used. Explain the reason for each name change in the last five years.

4. Are any of your firm's licenses held in the name of a corporation or partnership?

☐ Yes ☒ No

If Yes, list on Attachment A the name of the corporation or partnership that actually holds the license.

**Bidders/Contractors must continue on to Section D and answer all remaining questions contained in this Questionnaire.**

**The responses to the remaining questions in this Questionnaire will not be posted on the internet but will be made available to the public for review upon request. Contact the appropriate Designated Administrative Agency.**

**D. FINANCIAL RESOURCES AND RESPONSIBILITY**

5. Is your firm now, or has it ever been at any time in the last five years, the debtor in a bankruptcy case?

☐ Yes ☐ No

If Yes, explain on Attachment B the circumstances surrounding each instance.

6. Is your company in the process of, or in negotiations toward, being sold?

☐ Yes ☐ No

If Yes, explain the circumstances on Attachment B.

**E. PERFORMANCE HISTORY**

7. How many years has your firm been in business? \_\_\_\_\_ Years.

8. Has your firm ever held any contracts with the City of Los Angeles or any of its departments?

☐ Yes ☐ No

If Yes, list on an Attachment B all contracts your firm has had with the City of Los Angeles for the last 10 years. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

9. List on Attachment B all contracts your firm has had with any private or governmental entity (other than the City of Los Angeles) over the last five years that are similar to the work to be performed on the contract for which you are bidding or proposing. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

☐ Check the box if you have not had any similar contracts in the last five years

10. In the past five years, has a governmental or private entity or individual terminated your firm's contract prior to completion of the contract?

☐ Yes ☐ No

If Yes, explain on Attachment B the circumstances surrounding each instance.

11. In the past five years, has your firm used any subcontractor to perform work on a government contract when you knew that the subcontractor had been debarred by a governmental entity?

☐ Yes ☐ No

If Yes, explain on Attachment B the circumstances surrounding each instance.

12. In the past five years, has your firm been debarred or determined to be a non-responsible bidder or contractor?

☐ Yes ☐ No

If Yes, explain on Attachment B the circumstances surrounding each instance.



## F. DISPUTES

13. In the past five years, has your firm been the defendant in court on a matter related to any of the following issues? For parts (a) and (b) below, check **Yes** even if the matter proceeded to arbitration without court litigation. For part (c), check **Yes** only if the matter proceeded to court litigation. If you answer **Yes** to any of the questions below, explain the circumstances surrounding each instance on Attachment B. You must include the following in your response: the name of the plaintiffs in each court case, the specific causes of action in each case; the date each case was filed; and the disposition/current status of each case.

(a) Payment to subcontractors?

☐ Yes ☒ No

(b) Work performance on a contract?

☐ Yes ☒ No

(c) Employment-related litigation brought by an employee?

☐ Yes ☒ No

14. Does your firm have any outstanding judgements pending against it?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

15. In the past five years, has your firm been assessed liquidated damages on a contract?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance and identify all such projects, the amount assessed and paid, and the name and address of the project owner.

## G. COMPLIANCE

16. In the past five years, has your firm or any of its owners, partners or officers, ever been investigated, cited, assessed any penalties, or been found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed on Attachment C (Page 9)? For this question, the term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation.

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance, including the entity that was involved, the dates of such instances, and the outcome.

17. If a license is required to perform any services provided by your firm, in the past five years, has your firm, or any person employed by your firm, been investigated, cited, assessed any penalties, subject to any disciplinary action by a licensing agency, or found to have violated any licensing laws?

☐ Yes ☒ No

If **Yes**, explain on Attachment B the circumstances surrounding each instance in the last five years.

## SERVICE

18. In the past five years, has your firm, any of its owners, partners, or officers, ever been penalized or given a letter of warning by the City of Los Angeles for failing to obtain authorization from the City for the substitution of a Minority-owned (MBE), Women-owned (WBE), or Other (OBE) business enterprise?

☐ Yes ☒ No

If Yes, explain on Attachment B the circumstances surrounding each instance in the last five years.

## H. BUSINESS INTEGRITY

19. For questions (a), (b), and (c) below, check Yes if the situation applies to your firm. For these questions, the term "firm" includes any owners, partners, or officers in the firm. The term "owner" does not include owners of stock in your firm if the firm is a publicly traded corporation. If you check Yes to any of the questions below, explain on Attachment B the circumstances surrounding each instance.

- (a) Is a governmental entity or public utility currently investigating your firm for making (a) false claim(s) or material misrepresentation(s)?

☐ Yes ☒ No

- (b) In the past five years, has a governmental entity or public utility alleged or determined that your firm made (a) false claim(s) or material misrepresentation(s)?

☐ Yes ☒ No

- (c) In the past five years, has your firm been convicted or found liable in a civil suit for, making (a) false claim(s) or material misrepresentation(s) to any governmental entity or public utility?

☐ Yes ☒ No

20. In the past five years, has your firm or any of its owners or officers been convicted of a crime involving the bidding of a government contract, the awarding of a government contract, the performance of a government contract, or the crime of fraud, theft, embezzlement, perjury, bribery? For this question, the term "owner" does not include those who own stock in a publicly traded corporation.

☐ Yes ☐ No

If Yes, explain on Attachment B the circumstances surrounding each instance.

## CERTIFICATION UNDER PENALTY OF PERJURY

I certify under penalty of perjury under the laws of the State of California that I have read and understand the questions contained in this questionnaire and the responses contained on all Attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this Questionnaire is true and accurate to the best of my knowledge and belief.

Michael Pogonzelshin, President, CHC  
Print Name, Title

Am B...  
Signature

Dec 20, 2011  
Date

## ATTACHMENT A FOR SECTIONS A THROUGH C

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Information submitted on this Attachment in response to Questions in Sections A through C will be posted on the internet for public review. Make copies of this Attachment if additional pages are needed.

Page \_\_\_\_\_

## ATTACHMENT B FOR SECTIONS D THROUGH H

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Information submitted on this Attachment in response to Questions in Sections D through H will not be posted on the internet but will be made available to the public for review upon request. Make copies of this Attachment if additional pages are needed.

Page \_\_\_\_\_

### Answer to Question E8

1. Contract C-111196

expired 12/31/11

Purpose: manage the Sunset & Vine BID.

BID Assessment: \$1.3M

### Answer to Question E9

Contract between Central Hollywood Coalition  
and Hollywood Property Owners Alliance

Purpose: to manage the program and administrative  
activity of the Sunset & Vine BID

Amount: (current) \$150,000/annum

Term: 2007 to present

Century Hollywood Coalition  
EBD Sunrise Pk  
PRL

EX 6

EBO WAIVER

CITY OF LOS ANGELES  
Department of Public Works  
Bureau of Contract Administration  
Office of Contract Compliance  
1149 S. Broadway Street, 3<sup>rd</sup> Floor, Los Angeles, CA 90015  
Phone: (213) 847-1922 - Fax: (213) 847-2777

**EQUAL BENEFITS ORDINANCE AWARDING AUTHORITY REQUEST FOR WAIVER**

Company Name: Century Hollywood Coalition Phone: 323-463-8845  
Company Address: 1680 Vine St. Suite 414  
City: Hollywood State: CA Zip: 90028 EIN/TIN 30 0008525  
Contract Number (if any): \_\_\_\_\_  
Contract Term - Start Date: 1/1/2012 End Date: 12/31/2018  
Contract Amount: N/A  
Type of Service: Bus. Rep. Dist. Administrator

**SECTION 1. BASIS FOR REQUEST FOR WAIVER FROM EQUAL BENEFITS ORDINANCE**

List all code section(s) on which this request for waiver is based. Cite all sections that may apply.

EBD Reg. #4B Enforced by Special  
Business Improvement District that has 655

**SECTION 2. REASON FOR WAIVER**

Attach a memorandum detailing:

- (1) Why the waiver is being requested.
- (2) The facts and circumstances that support your determination that the contract meets all the criteria required in the code section(s) listed above.
- (3) The steps taken to find an entity that complies with the Equal Benefits Ordinance (EBO).

**SECTION 3. SUBMIT REQUEST FOR WAIVER**

Submit this request for waiver and all documentation to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) at the address referenced above. The OCC will make a determination within seven (7) working days of receipt of a request for waiver and all supporting documentation.

Name of contact person: Rick Sroet Title: EBD Analyst  
Department: City Clerk Phone: 213-878-1121  
Signature: [Signature] Date: 1/11/12

An approved waiver is valid only for the contract for which it was requested. It is not valid for any other contracts the contractor may have with the City.

FOR OCC USE ONLY	
<input checked="" type="checkbox"/>	Not Approved. (See attached memorandum for explanation.)
<input checked="" type="checkbox"/>	Approved based on code section(s): <u>Regulation #4Cb</u>
Analyst: <u>Joye Serafin</u>	Date: <u>1/12/12</u>

## EBO & SDO DETERMINATION

### CITY OF LOS ANGELES

Office Contract Compliance  
1149 S. Broadway, 3rd Floor  
Los Angeles, CA 90015  
Phone: (213) 847-1922 - Fax: (213) 847-2777

### OCC DETERMINATION EQUAL BENEFITS AND SLAVERY DISCLOSURE ORDINANCES

Contractors must be certified as complying with Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO), and Section 10.41. et seq., Slavery Disclosure Ordinance (SDO), prior to the execution, amendment, or renewal of an agreement. Attach this form to the agreement being processed to verify the Office of Contract Compliance (OCC) determination regarding the Contractor's compliance with the EBO and SDO.

#### SECTION 1. CONTRACTOR INFORMATION

Company Name Center for Hollywood Coalition Phone: (213) 978-1121  
Company Address 1680 Vine St., Suite 414 Fax: \_\_\_\_\_  
City: Hollywood State: CA ZIP: 90028  
Contact Person: Rick Scott (City Clerk)

#### SECTION 2. EQUAL BENEFITS ORDINANCE

Status: Waived

See the attached Waiver.

Date Determined: 01/12/2012

#### SECTION 3. SLAVERY DISCLOSURE ORDINANCE

Status: SDO Affidavit has NOT been submitted.

Certain contracts are not subject to the SDO because they: (1) relate to investment of City funds, and the Treasurer or the OCC finds that imposing the SDO would violate his or her fiduciary duties; (2) are with a governmental entity; (3) are with a 501(c)(3) non-profit organization; (4) are for goods/services that are proprietary or only available from a single source; (5) are entered into pursuant to Charter Sections 371(e)(5), 371(e)(6), or 371(e)(7). Contracts in the above categories do not need an Affidavit. In addition, contracts resulting from RFPs released prior to October 15, 2003 are not subject to the SDO until they are subsequently amended.

#### Comments

None

OCC Analyst Faye Serafin FS

Phone: 213-847-2643

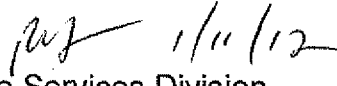
Date: 1/12/2012

**CITY OF LOS ANGELES**  
**INTER-DEPARTMENTAL CORRESPONDENCE**

EX. 6  
EBO  
CHC  
SSV PRAD  
2012-2013

DATE: January 11, 2012

TO: Mario Interiano  
Bureau of Contract Administration  
Department of Public Works

FROM: Rick Scott  1/11/12  
Administrative Services Division  
Office of the City Clerk

SUBJECT: EBO Waiver Request

This contract, between the City of Los Angeles and the Central Hollywood Coalition, is specifically for the administration of the Sunset and Vine Business Improvement District (see recommendation #2 of the attached Council Action and the Ordinance of Establishment #181880, adopted September 14, 2011). As such, the contract is for the management of trust fund money per EBO Regulation 4(B) and therefore, EBO is non-applicable. In this case, the Fund is the City's Special Business Improvement Trust Fund 659, in which assessments are collected by the City on the District's behalf and tendered to the District through the administration contract between the City and the District's 501c non-profit administrator, the Central Hollywood Coalition.

The signed and dated EBO Waiver Request Form for the Central Hollywood Coalition is attached to this memorandum.

Attachments

Century Hollywood Coalition  
EBD Supervisor  
PHEW

EX 6

## EBO WAIVER

**CITY OF LOS ANGELES**  
Department of Public Works  
Bureau of Contract Administration  
Office of Contract Compliance

1149 S. Broadway Street, 3<sup>rd</sup> Floor, Los Angeles, CA 90015  
Phone: (213) 847-1922 - Fax: (213) 847-2777

### EQUAL BENEFITS ORDINANCE AWARDDING AUTHORITY REQUEST FOR WAIVER

Company Name: Century Hollywood Coalition Phone: 323-463-8845  
Company Address: 1680 Vine St. Suite 414  
City: Hollywood State: CA Zip: 90028 EIN/TIN 30 0008525  
Contract Number (if any): \_\_\_\_\_  
Contract Term - Start Date: 1/1/2012 End Date: 12/31/2018  
Contract Amount: N/A  
Type of Service: Bus. Rep. Dist. Administrator

### SECTION 1. BASIS FOR REQUEST FOR WAIVER FROM EQUAL BENEFITS ORDINANCE

List all code section(s) on which this request for waiver is based. Cite all sections that may apply.

EBD Reg. # 4B Enforced by Special  
Business Development District that has 655

### SECTION 2. REASON FOR WAIVER

Attach a memorandum detailing:

- (1) Why the waiver is being requested.
- (2) The facts and circumstances that support your determination that the contract meets all the criteria required in the code section(s) listed above.
- (3) The steps taken to find an entity that complies with the Equal Benefits Ordinance (EBO).

### SECTION 3. SUBMIT REQUEST FOR WAIVER

Submit this request for waiver and all documentation to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) at the address referenced above. The OCC will make a determination within seven (7) working days of receipt of a request for waiver and all supporting documentation.

Name of contact person: Rick Snot Title: EBD Analyst  
Department: City Clerk Phone: 213-578-1121  
Signature: [Signature] Date: 1/11/12

An approved waiver is valid only for the contract for which it was requested. It is not valid for any other contracts the contractor may have with the City.

#### FOR OCC USE ONLY

\_\_\_\_ Not Approved. (See attached memorandum for explanation.)

\_\_\_\_ Approved based on code section(s): \_\_\_\_\_

Analyst: \_\_\_\_\_

Date: \_\_\_\_\_



EX 7

## CITY OF LOS ANGELES - SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt from the Slavery Disclosure Ordinance (SDO), a Company entering into a Contract with the City must complete an Affidavit disclosing any and all records of Participation or Investment in, or Profits derived from Slavery, including Slaveholder Insurance Policies, during the Slavery Era. The Company must complete and submit the Affidavit and any attachments to the Awarding Authority. This is required only of the Company actually selected for award of a Contract. It must be done before the Contract or Contract amendment can be executed. Questions regarding the Affidavit may be directed to the Department of Public Works, Office of Contract Compliance located at 1149 S. Broadway Street, 3<sup>rd</sup> Floor, Los Angeles, California 90015. Phone: (213) 847-1922; Fax: (213) 847-2777.

City Department Awarding Agreement CITY CLERK Department Contact Person \_\_\_\_\_

## AFFIDAVIT DISCLOSING SLAVERY ERA PARTICIPATION, INVESTMENTS, OR PROFITS

1. Michael Bogorzelska, am authorized to bind contractually the Company identified below.
2. Information about the Company entering into a Contract with the City is as follows:  
Centre Hollywood Coalition Phone 323) 463-6767 Federal ID # 30-0008525  
 Company Name City State Zip  
 Street Address City State Zip  
 3. Has the Company submitted the SDO Affidavit previously? NO YES Date of prior submission: \_\_\_\_\_  
 If "NO," complete Section 4, 5, and 6. If "YES," list the date of prior submission and skip to Section 6 and execute the form.  
 4. The Company came into existence in \_\_\_\_\_ (year).  
 5. The Company has searched its records and those of any Predecessor Companies for information relating to Participation or Investments in, or Profits derived from Slavery or Slaveholder Insurance Policies. Based on that research, the Company represents that:

\_\_\_\_\_ The Company found no records that the Company or any of its Predecessor Companies had any Participation or Investments in, or derived Profits from, Slavery or Slaveholder Insurance Policies during the Slavery Era.

\_\_\_\_\_ The Company found records that the Company or its Predecessor Companies Participated or Invested in, or derived Profits from Slavery during the Slavery Era. The nature of that Participation, Investment, or Profit is described on the attachment to this Affidavit and incorporated herein.

\_\_\_\_\_ The Company found records that the Company or its Predecessor Companies bought, sold, or derived Profits from Slaveholder Insurance Policies during the Slavery Era. The names of any Enslaved Persons or Slaveholders under the Policies are listed on the attachment to this Affidavit and incorporated herein.

6. I declare under penalty of perjury under the laws of the State of California that the representations made herein are true and correct to the best of my knowledge.

Executed on Dec 20, 2011 at Los Angeles CA (Date) (City) (State)  
 Signature: M. Bogorzelska Title: President

## DEFINITIONS

**Awarding Authority** means a subordinate or component entity or person of the City, such as a City Department or Board of Commissioners, that has the authority to enter into a Contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

**Company** means any person, firm, corporation, partnership or combination of these.

**Contract** means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies or rendering of any service to the City of Los Angeles or the public, which is let, awarded or entered into with or on behalf of the City of Los Angeles or any Awarding Authority of the City.

**Designated Administrative Agency (DAA)** means the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance.

**Enslaved Person** means any person who was wholly subject to the will of another and whose person and services were wholly under the control of another and who was in a state of enforced compulsory service to another during the Slavery Era.

**Investment** means to make use of an Enslaved Person for future benefits or advantages.

**Participation** means having been a Slaveholder during the Slavery Era.

**Predecessor Company** means an entity whose ownership, title and interest, including all rights, benefits, duties and liabilities were acquired in an uninterrupted chain of succession by the Company.

**Profits** means any economic advantage or financial benefit derived from the use of Enslaved Persons.

**Slavery** means the practice of owning Enslaved Persons.

**Slavery Era** means that period of time in the United States of America prior to 1865.

**Slaveholder** means holders of Enslaved Persons, owners of business enterprises using Enslaved Persons, owners of vessels carrying Enslaved Persons or other means of transporting Enslaved Persons, merchants or financiers dealing in the purchase, sale or financing of the business of Enslaved Persons.

**Slaveholder Insurance Policies** means policies issued to or for the benefit of Slaveholders to insure them against the death of, or injury to, Enslaved Persons.

**Affidavit** means the form developed by the DAA and may be updated from time to time. The Affidavit need not be notarized but must be signed under penalty of perjury.

## SDO EXEMPTION

## CITY OF LOS ANGELES

Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance  
 1149 S. Broadway Street, 3<sup>rd</sup> Floor, Los Angeles, CA 90015  
 Phone: (213) 847-1922 Fax: (213) 847-2777

**SLAVERY DISCLOSURE ORDINANCE (SDO) REQUEST FOR EXEMPTION**

All agreements are subject to the SDO unless otherwise exempted. If the Awarding Authority believes that a contract should be exempted because of exigent circumstances or because the contract involves proprietary goods/services that are available only from a single source, an exemption application must be submitted. **The exemption MUST be approved by the Office of Contract Compliance, Equal Employment Opportunities Enforcement Section prior to contract execution, and Awarding Authorities MUST submit a memorandum explaining why the exemption is justified.**

**Section 1: Awarding Department**

Name of contact person: \_\_\_\_\_ Title: \_\_\_\_\_  
 Department: CITY CLERK Phone: 213-478-  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Section 2: Contractor and Contract Information**

Company Name: \_\_\_\_\_ Federal ID #: \_\_\_\_\_  
 Company Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Purpose \_\_\_\_\_ Contract # (if any) \_\_\_\_\_  
 Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_ Amount: \_\_\_\_\_

**Section 3: Basis for Exemption – Check one. A memorandum must be attached explaining why exemption is justified.**

\_\_\_ The contract is for the furnishing of articles covered by letters patent granted by the government of the United States or the goods or services are proprietary or only available from a single source.

\_\_\_ The City would suffer a financial loss or that City operations would be adversely impacted unless exempted.

**OCC USE ONLY**

Approved: \_\_\_\_\_ Not Approved. (See attached memorandum.)  
 OCC Analyst: \_\_\_\_\_ Date: \_\_\_\_\_

**THE FOLLOWING ARE STATUTORILY EXEMPT AND DO NOT REQUIRE OCC APPROVAL**

\_\_\_ Contracts relating to: (a) the investment of City trust moneys or bond proceeds; (b) Pension funds; (c) Indentures, security enhancement agreements for City tax-exempt and taxable financings; (d) Deposits of City surplus funds in financial institutions; (e) The investment of City moneys in securities permitted under the California State Government Code and/or the City's investment policy; (f) Investment agreements, whether competitively bid or not; (g) Repurchase agreements; and (h) City moneys invested in United States government securities.

\_\_\_ Contracts involving City moneys in which the Treasurer or the City Administrative Officer finds that the City will incur a financial loss or forego a financial benefit, and which in the opinion of the Treasurer or the City Administrative Officer would violate his or her fiduciary duties.

\_\_\_ Grant funded Contracts if the application of this article would violate or be inconsistent with the terms or conditions of a grant or Contract with an agency of the United States, the State of California or the instruction of an authorized representative of any of those agencies with respect to any grant or Contract.

\_\_\_ Contracts with a governmental entity such as the United States of America, the State of California, a county, city or public agency of one of these entities, or a public or quasi-public corporation located in the United States and declared by law to have a public status.

\_\_\_ Contracts with any Company that has been designated as a non-profit organization pursuant to the United States Internal Revenue Code Section 501(c)(3).

\_\_\_ Contracts entered into pursuant to Charter Section 371(e)(5) as approved by Council.

\_\_\_ Contracts entered into pursuant to Charter Section 371(e)(6) as approved by Council.

\_\_\_ Contracts entered into pursuant to Charter Section 371(e)(7).

**NONDISCRIMINATION • EQUAL EMPLOYMENT PRACTICES • AFFIRMATIVE ACTION**  
**CONSTRUCTION & NONCONSTRUCTION CONTRACTORS (VENDORS, SUPPLIERS, CONSULTANTS)**

Los Angeles Administrative Code (LAAC), Division 10, Chapter 1, Article 1, Section 10.8 requires entities doing business with the City to comply with a Nondiscrimination/Affirmative Action Program. (Refer questions regarding these requirements to the Bureau of Contract Administration, Office of Contract Compliance, Equal Employment Opportunities Enforcement Section, at (213) 847-1922.) In order to comply, it is necessary that the bidder/proposer/respondent complete, sign and return with the bid/proposal/response, the following:

- A. For all contracts, the contractor agrees to adhere to the following Nondiscrimination Clause:
1. The contractor agrees and obligates the company not to discriminate during the performance of this contract against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, age, sexual orientation, disability, marital status, domestic partner status, or medical condition; and
  2. All subcontracts awarded under this contract shall contain a like Nondiscrimination Clause.
- B. For construction contracts from \$1,000 to under \$5,000 and nonconstruction contracts from \$1,000 to under \$100,000, the contractor agrees to:
1. Adhere to the Nondiscrimination Clause above;
  2. Designate a management level Equal Employment Opportunity Officer as provided for in Section "E" below; and
  3. Adhere to Equal Employment Practices provisions as outlined in LAAC § 10.8.3 and on Page A-3 of this document.
- C. For construction contracts of \$5,000 or more and non-construction contracts of \$100,000 or more, the contractor agrees to:
1. Adhere to the Nondiscrimination Clause above;
  2. Designate a management level Equal Employment Opportunity Officer as provided for in Section "E" below;
  3. Adhere to Equal Employment Practices provisions as outlined in LAAC § 10.8.3 and on Pages A-4 and A-5 of this document;
  4. Complete the Ethnic Composition of Total Work Force Report provided on Page A-2 of this document; and
  5. Sign and submit an Affirmative Action Plan. The bidder must submit one of the two following plans:
    - a. Plan A. Los Angeles City Affirmative Action Plan ("Los Angeles City Affirmative Action Requirements") on Page A-6 and Page A-7 which is an approved plan requiring only signature of acceptance along with the Ethnic Composition of Work Force (Page A-2) and submittal to be effective; or,
    - b. Plan B. The Bidder's own Affirmative Action Plan for approval, which must contain at a minimum all of the elements of the City's Plan.
- D. Subcontractors:
1. The contractor shall require the same documents indicated above to be submitted for subcontractors of any contract awarded by the City; and
  2. The contractor shall be responsible for obtaining the Affirmative Action Plans from its subcontractors. Additional forms are Available from the Office of Contract Compliance or the awarding authority.

**E. Equal Employment Opportunity Officer:**

Please be advised that Duke Gallagher Treasurer is hereby  
NAME OF DESIGNEE TITLE

designated as the Company's Equal Employment Opportunity Officer. The Officer has been given the authority to establish disseminate and enforce the Equal Employment and Affirmative Action Policies of this firm to ensure nondiscrimination in all of its employment practices. The Officer may be contacted at:

168 Vine St. #414 LA, CA 90028 949 481-7475  
WORK ADDRESS TELEPHONE

**F. Signed Certification - The Contractor by its signature affixed hereto declares under penalty of perjury that:**

1. The contractor has read the Nondiscrimination Clause in "A" above and certifies that it will adhere to the practices in the performances of all contracts;
2. The contractor has read the Equal Employment Practices provisions on Page A-3 and certifies that it will adhere to the practices in the performance of any construction contract \$1,000 to under \$5,000 and nonconstruction contract \$1,000 to under \$100,000;
3. The contractor has designated the Equal Employment Opportunity Officer as noted in Section "E" above;
4. The contractor has read the Affirmative Action Program provisions on Pages A-4 and A-5, certifies that it will adhere to the practices in the performance of any construction contract of \$5,000 or more and nonconstruction contract of \$100,000 or more and submits an Affirmative Action Plan. Indicate which plan is submitted: ☐ City Plan; ☐ Company Plan.
5. The information contained herein is true and correct.

All Certificates and Plans are effective for 12 months from date of approval by the Office of Contract Compliance.

Central Hollywood Coalition  
COMPANY NAME

c/o HPOA 1680 Vine St. #414  
ADDRESS

Hollywood CA 90028  
CITY, COUNTY, STATE, ZIP

M. Ponzelski  
AUTHORIZED SIGNATURE

M. Ponzelski, President CNC  
NAME AND TITLE (TYPE OR PRINT)

(310) 247-3027 12/20/11  
TELEPHONE DATE

☐ PRIME ☐ SUB BCA Form (6/08)

## TOTAL COMPOSITION OF WORK FORCE

OCC#

Contractor

Project Title

Length of Contract

Contractor Address

Work Force as of (Date)

(If you have no employees, write "no employee at this time.")

FOR CONSTRUCTION PROJECTS (L.A. County Only)														
	AFRICAN AMERICAN (BLACK)		HISPANIC		ASIAN / PACIFIC ISLANDER		AMERICAN INDIAN / ALASKAN NATIVE		CAUCASIAN (NON-HISPANIC)		TOTAL EMPLOYEES		% MINORITY	GENDER
	J	A	J	A	J	A	J	A	J	A	J	A		
CRAFT														
Brick Layers														
Carpenters														
Electricians														
Gunite Workers														
Iron Worker														
Laborers														
Operator Engineers														
Painters														
Pipe Trades														
Plasters / Cement Masons														
Sheet Metal Workers														
Teamsters														
Clerical														
Supervisory														
TOTAL														

## FOR NON-CONSTRUCTION PROJECTS

	AFRICAN AMERICAN (BLACK)		HISPANIC		ASIAN OR PACIFIC ISLANDER		AMERICAN INDIAN / ALASKAN NATIVE		CAUCASIAN (NON-HISPANIC)		TOTAL EMPLOYEES		% MINORITY	GENDER
	Regular	Trainee	Regular	Trainee	Regular	Trainee	Regular	Trainee	Regular	Trainee	Regular	Trainee		
OCCUPATION														
Official & Managers														
Professionals														
Technicians														
Sales Workers														
Office / Clerical														
Semi-Skilled														
Laborers (Unskilled)														
Service Workers														
TOTAL														

Employment statistics were obtained from:

☐ Available Records ☐ Visual Check ☐ Other (Specify)

**AFFIRMATIVE ACTION PROGRAM PROVISIONS**  
**Construction Contracts of \$5,000 or More and**  
**Nonconstruction Contracts of \$100,000 or More**

**Sec. 10.8.4. Affirmative Action Program Provisions.**

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the AFFIRMATIVE ACTION PROGRAM provisions of such contract:

- A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
  - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any contractor to comply with the Affirmative Action program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- I. The public Works board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.
- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

**EQUAL EMPLOYMENT PRACTICES PROVISIONS**  
**Construction Contracts in excess of \$1,000 or more but less than \$5,000 and**  
**Nonconstruction Contracts of \$1,000 or more but less than \$100,000**

**Sec. 10.8.3. Equal Employment Practices Provisions.**

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the EQUAL EMPLOYMENT PRACTICES provision of such contract:

- A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
  1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
  2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.
- E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract Compliance program.
- I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conducted of City Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
  1. Hiring practices;
  2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  3. Training and promotional opportunities; and
  4. Reasonable accommodations for persons with disabilities.
- L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

Form **W-9**  
(Rev. October 2007)  
Department of the Treasury  
Internal Revenue Service

*SSUPBWS - CHA* *EX 9*  
**Request for Taxpayer  
Identification Number and Certification**

Give form to the requester. Do not send to the IRS.

Print or type  
See Specific Instructions on page 2.

Name (as shown on your income tax return)

*Central Hollywood Coalition*

Business name, if different from above

Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership  
☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ .....  
☐ Other (see instructions) ▶

☐ Exempt  
payee

Address (number, street, and apt. or suite no.)

*1680 Vine St. #414*

Requester's name and address (optional)

City, state, and ZIP code

*Los Angeles CA 90028*

List account number(s) here (optional)

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

or

Employer identification number

*30 000 8525*

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

**Part II Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign  
Here

Signature of  
U.S. person ▶

*Michael B. Li*

Date ▶

*12/20/11*

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Purpose of Form**

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,



- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part II of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

**Other entities.** Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

**Note.** You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

### Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.



Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 7 <sup>2</sup>

<sup>1</sup>See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup>However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

**Signature requirements.** Complete the certification as indicated in 1 through 5 below.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>3</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

### Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN.
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or 1-877-IDTHEFT(438-4338).

Visit the IRS website at [www.irs.gov](http://www.irs.gov) to learn more about identity theft and how to reduce your risk.

### Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

- K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this Chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
- (1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
  - (2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  2. Classroom preparation for the job when not apprenticeable;
  3. Pre-apprenticeship education and preparation.
  4. Upgrading training and opportunities;
  5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
  6. The entry of qualified women, minority and all other journeymen into the industry; and
  7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the city's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.
- P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

LOS ANGELES CITY AFFIRMATIVE ACTION PLANLOS ANGELES CITY AFFIRMATIVE ACTION MANDATORY PROVISIONS

Notwithstanding any other provision of this Division to the contrary, every construction contract involving an expenditure of \$5,000 or more of City funds, except in cases of urgent necessity, as provided in Section 371 of the Charter of the city of Los Angeles and except as provided in Section 10.9 of this Code, shall contain as part of the contract an Affirmative Action Plan substantially as set forth in this section and which by the contractor's signature affixed thereto, shall constitute and be established as the contractor's Affirmative Action Plan. The Plan, which may be a plan proposed by the contractor or the City's proposed Plan prepared by the Office of Contract Compliance, shall be subject to the approval of the Office of Contract Compliance prior to award of the contract. The Plan may consist of a Plan approved by the Office of Contract Compliance within the previous twelve months. If the previously approved Plan is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance which shall be subject to approval before the contract may be awarded.

**Sec. 10.13. Mandatory Provisions Pertaining to Nondiscrimination in Employment and Affirmative Action in Hiring Employees in the Performance of Work on Certain City Construction Contracts.**

1. Construction Contracts Included.

The contractor shall not be eligible for an award of a City Construction Contract in excess of \$5,000, unless the contractor has submitted as part of the bid a written Affirmative Action Plan embodying both (1) anticipated levels of minority\*, women and all other staffing utilization, and (2) specific affirmative action steps directed at applying good faith efforts in a nondiscriminatory manner to recruit and employ minority, women and all other potential staff or is deemed to have submitted such a program pursuant to Subsection 3 of this section. Both the anticipated levels and the affirmative action steps must be taken and applied in good faith and in a nondiscriminatory manner to attempt to meet the requirements of this section for all trades which are to be utilized on the project, whether subcontracted or not.

\*"Minority" is defined as the term "minority person" is defined in subsection (f) of section 2000 of the California Public Contract Code.

2. Anticipated Utilization.

The plan must set forth anticipated minority, women, and all other staffing utilization by the contractor and all subcontractors on each project constructed by the City using those trades within the area of jurisdiction of the Los Angeles Building and Construction Trades Council within the City of Los Angeles in each work class and at all levels in terms of staff hours. The anticipated levels of minority, women and other staffing utilization shall be the levels at which each of those groups are represented in the relevant workforce in the Greater Los Angeles Area as determined by the U. S. Bureau of the Census and made available by the Office of Contract Compliance. Attainment of the anticipated levels of utilization may only be used as an indicia of whether the contractor has complied with the requirements of this section and has applied its Affirmative Action Plan in good faith and in a nondiscriminatory manner. Failure to attain the anticipated levels of utilization shall not, by itself, disqualify the contractor for award of a contract or subject the contractor to any sanctions or penalties.

In no event may a contractor utilize the requirements of this section in such a manner as to cause or result in discrimination against any person on account of race, color, religion, ancestry, age, disability, medical condition, marital status, domestic partner status, sex, sexual orientation, or national origin.

3. An Affirmative Action Plan.

The contractor certifies and agrees to immediately implement good faith efforts measures to recruit and employ minority, women, and other potential staff in a nondiscriminatory manner including, but not limited to, the following actions. The contractor shall:

a. Recruit and make efforts to obtain such employees through:

- (1) Advertising employment opportunities in minority and other community news media. Notifying minority, women and other community organizations of employment opportunities.
- (2) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
- (3) Encouraging present minority, women and other employees to refer their friends and relatives.
- (4) Promoting after school and vacation employment opportunities for minority, women and other youth.
- (5) Validating all job specifications, selection requirements, tests, etc.
- (6) Maintaining a file of names and addresses of each worker referred to the contractor and what action was taken concerning such worker.
- (7) Notifying the appropriate awarding authority of the City and the Office of Contract Compliance in writing when a union with whom the contractor has a collective bargaining agreement has failed to refer a minority, woman or other worker.

- b. Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in nondiscriminatory manner so as to achieve and maintain a diverse work force.
- c. Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in such training programs to enhance their skills and advancement.
- d. Secure cooperation or compliance from the labor referral agency to the contractor's contractual affirmative action obligations.
- e. Establish a person at the management level of the contracting entity to be the Equal Employment Opportunity Office; such individual to have the authority to disseminate and enforce the company's Equal Employment and Affirmative Action Policies.


- f. Maintain such records as are necessary to determine compliance with equal employment and affirmative action obligations, and making such records available to City, State and Federal authorities upon request.
4. The contractor shall make a good faith effort with respect to apprenticeship and training program to:
    - a. Recruit and refer minority, women and other employees to such programs;
    - b. Establish training programs within the company and/or its association that will prepare minority, women and other employees for advancement opportunities.
    - c. Abide by the requirements of the Labor Code of the State of California with respect to the provision of apprenticeship job opportunities.
  5. The contractor shall establish written company policies, rules, and procedures which shall be encompassed in a company-wide Affirmative Action Plan for all its operations and contracts. Said policies shall be provided to all employees, subcontractors, vendors, unions and all others with whom the contractor may become involved in fulfilling any of its contracts. The company's Affirmative Action Plan shall encompass the requirements contained herein as a minimum and shall be submitted with its bid to the appropriate awarding authority of the City and to the Office of Contract Compliance of the City.
  6. Where problems are experienced by the contractor in complying with its obligations pursuant to this section, the contractor shall document its good faith effort to comply with the requirements by the following procedure. The contractor shall state:
    - a. What steps were taken, how and on what date.
    - b. To whom those efforts were directed.
    - c. The responses received, from whom and when.
    - d. What other steps were taken or will be taken to comply and when.
    - e. Why the contractor has been or will be unable to comply.
  7. The contractor shall complete and file, and require each of its known subcontractors to complete and file with the contractor's bid for the subject project an acceptable Affirmative Action Plan.
  8. The contractor shall submit and require each of its subcontractors to submit an Ethnic Composition of the Company's Total Work Force (by employees) prior to the date of award of the contract.
  9. No contract shall be executed until the appropriate awarding authority of the City of Los Angeles, and the Federal funding agency (if Federal funds are involved), has determined in writing that such contractor has executed and filed with the awarding authority and the City Office of Contract Compliance the required Affirmative Action Plan.
  10. It shall be no excuse that the union with which the contractor has a collective bargaining agreement providing for referral, exclusive or otherwise, failed to refer minority, women or other employees.
  11. Subject to this subsection the contractor shall execute such further forms and documentation at such times and as may be required by the appropriate awarding authority of the City of Los Angeles.
  12. Where the contractor has failed to comply with the requirements contained in this section, any and all sanctions allowed by law may be imposed upon the contractor.
  13. The Office of Contract Compliance within the Department of Public Works shall be responsible for administering the City's Contract Compliance Program in the manner described in Sections 22.359 through 22.359.5 of this Code.
  14. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

By its execution hereof, the contractor accepts and submits the foregoing as its Affirmative Action Plan.

Dec 20, 2011  
DATE

Central Hollywood Coalition  
FIRM NAME

A-7

  
OFFICER'S SIGNATURES

M. Pogorzelski, President, CHC  
OFFICER'S NAME AND TITLE (TYPE OR PRINT)