

Fwd: Council File 12-0489, Chinatown Property Business Improvement District

3 messages

Izabella Hovhanisian <izabella.hovhanisian@lacity.org>

Fri, Oct 30, 2020 at 8:13 AM

To: City Clerk Council and Public Services <clerk.cps@lacity.org>, Clerk - Public Use - Neighborhood and Business Improvement District <Clerk.NBID@lacity.org>, Admin-NBIDS <Clerk.NBIDS@lacity.org>

----- Forwarded message -----

From: **CCED Chinatown** <ccedchinatown@gmail.com>

Date: Thu, Oct 29, 2020 at 5:00 PM

Subject: Council File 12-0489, Chinatown Property Business Improvement District

To: <lacityatty@lacity.org>, <cityclerk@lacity.org>

Cc: Gilbert Cedillo <Gilbert.Cedillo@lacity.org>, <councilmember.Krekorian@lacity.org>, <councilmember.blumenfield@lacity.org>, <david.ryu@lacity.org>, <paul.koretz@lacity.org>, <councilmember.martinez@lacity.org>, <councilmember.rodriguez@lacity.org>, <councilmember.harris-dawson@lacity.org>, <councilmember.price@lacity.org>, <councilmember.wesson@lacity.org>, <councilmember.bonin@lacity.org>, <councilmember.Lee@lacity.org>, <councilmember.ofarrell@lacity.org>, <councilmember.kevindeleon@lacity.org>, <councilmember.buscaino@lacity.org>

Dear LA City Attorney Mr. Mike Feuer and City Clerk Ms. Holly Wolcott,

We are members of the Chinatown Community for Equitable Development (CCED) and write regarding the City's failure to abide by the notice and hearing requirements in establishing the Chinatown Property Business Improvement District. Not all members of the public were given the correct call in number and a chance to provide testimony about the BID.

We request that if the City wishes to create the Chinatown Property Business Improvement District, it must comply with provisions of Streets and Highways Code Section 36600 et seq, Government Code Section 53753, and Article XIID of the California Constitution.

Sincerely,
Chinatown Community for Equitable Development

**RE - Council File 12-0489.docx**

17K

Christopher Garcia <christopher.garcia@lacity.org>

Fri, Oct 30, 2020 at 8:18 AM

To: Izabella Hovhanisian <izabella.hovhanisian@lacity.org>

Cc: City Clerk Council and Public Services <clerk.cps@lacity.org>, Clerk - Public Use - Neighborhood and Business Improvement District <Clerk.NBID@lacity.org>

Thank you Izzy!

[Quoted text hidden]

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Christopher Garcia

City of Los Angeles | Office of the City Clerk | Business Improvement Districts
200 N. Spring St. | Los Angeles | CA 90012

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Izabella Hovhanisian <izabella.hovhanisian@lacity.org>

Thu, Nov 12, 2020 at 8:24 AM

11/12/2020

City of Los Angeles Mail - Fwd: Council File 12-0489, Chinatown Property Business Improvement District

To: City Clerk Council and Public Services <clerk.cps@lacity.org>, Clerk - Public Use - Neighborhood and Business Improvement District <Clerk.NBID@lacity.org>

----- Forwarded message -----

From: **CCED Chinatown** <ccedchinatown@gmail.com>

Date: Wed, Nov 11, 2020 at 11:01 PM

Subject: Re: Council File 12-0489, Chinatown Property Business Improvement District

To: <lacityatty@lacity.org>, <cityclerk@lacity.org>, <mike.n.feuer@lacity.org>

Dear LA City Attorney Mr. Mike Feuer and City Clerk Ms. Holly Wolcott,

We have not received any acknowledgement if our letter has been received and processed. Please let us know if it has been received by the City.

Sincerely,
Chinatown Community for Equitable Development

[Quoted text hidden]

October 29, 2020

Mr. Mike Feuer
Los Angeles City Attorney
200 North Main St., 8th Floor
Los Angeles, CA 90012
Email: lacityatty@lacity.org

VIA EMAIL

Ms. Holly Wolcott
Los Angeles City Clerk
200 South Main St.
Los Angeles, CA 90012
Email: cityclerk@lacity.org

RE: Council File 12-0489

Dear Mr. Feuer and Ms. Wilcott:

Chinatown Community for Equitable Development (CCED) is writing to you on behalf of our members, residents, community members, and other stakeholders to raise serious concerns about the creation of the Chinatown Business Improvement District. There was improper notification of information for the hearing; cutting off those wishing to give public comment; not providing a ballot to all eligible voters; and other questionable conduct that urgently needs to be addressed regarding the process.

There were a number of issues with the way in which the City Council conducted the hearing for the Chinatown Business Improvement District on September 29, 2020. Members of CCED and other members of the community (including property owners subject to the assessment of the Business Improvement District) were unable to participate in the public hearing, even though under Government Code Section 53753, the City Council was required to consider all objections and protests, and allow all individuals to participate in the hearing.

The City Council held a hearing on the creation of the Chinatown Business Improvement District on September 29, 2020, as required by the Streets and Highways Code Section 36623, Government Code Section 53752 and Proposition XIID, Section 4 of the California Constitution. The hearing notice provided incorrect call-in information and meeting ID number for individuals to participate in the hearing. That error was compounded by the way in which the hearing was conducted. Although the statute clearly requires the City Council to allow all members of the public to participate in the hearing, see Gov't Code 53753, a number of members of CCED and other stakeholders were prevented and kept from participating in the public hearing.

The City Clerk provided erroneous call-in information for the City Council meeting in the official notice of the hearing. The notice contained call-in information for the hearing, but that information was entirely incorrect. As a result, a number of CCED members and other

stakeholders were unable to participate in the hearing or provide public comment. Many of those that were able to participate joined the call late, only after they found the correct call-in information for the City Council meeting from other sources. As you can see, the City failed to properly and fairly notify the public, including all property owners and other stakeholders, about the total change of the call-in number and meeting ID number before the hearing commenced.

The impact of the erroneous call-in information was compounded by the way in which the City Council chose to conduct the hearing. Instead of conducting a single, designated public hearing on this issue, as contemplated by Government Code Section 53753, the City Council began taking public comment on this petition along with all other items and general public comment, at the start of the meeting. Before public comment began, the City Attorney recommended that Council provide a second opportunity for public comment later in the meeting. This suggestion was made at the beginning of the meeting. But because of the erroneous call-in information, many individuals who wanted to give public comment were unable to join the public hearing and did not hear that suggestion.

After hearing some public comments on some agenda items that included the BID, the Council President cut off public comment. Everyone still on the phone who had joined the hearing was disconnected. The callers who had been waiting to speak were not informed that they could or should call back in to participate in the hearing. Instead, the announcement was made only when the public comment was reopened later in the agenda. Everyone who had been on the phone waiting to give comment had been disconnected before that announcement was made. Unless they were viewing the City Council meeting online, they had no way to know that they could call back in to give public comment. Calling-in was the only means available to give oral public comment. As a result of these compounding issues, more than 12 stakeholders, both within and outside of our organization, were unable to participate in the public hearing.

This is completely contrary and inconsistent with the requirements of the Government Code. See Gov't Code §§ 53753(b); (e)(1), which states that the "agency shall consider all objections or protests, if any, to the proposed assessment. At the public hearing, any person shall be permitted to present written or oral testimony". The requirements of Section 53753 are strictly construed and must be followed in order for a City to levy an assessment under Article XIID.

During the hearing, the City Council was put on notice of the error in the notice and the difficulty people were having in participating in the hearing. A resident and property owner in Chinatown informed the City Council, the City Attorney, and the City Clerk that this was occurring. The City took no remedial actions to address this significant issue during the hearing or at any time thereafter. Nor did the City Council continue the hearing in order to address the issue, as allowable under Government Code 53753(d). Instead, the City Council proceeded with the meeting and then, following the adjournment of the meeting, proceeded with the vote tabulation and certification of the vote.

The failure to abide by the technical requirements of the Government Code and the Streets and Highways Code raises important and serious questions about the validity of the creation of the BID. By allowing the establishment of this Chinatown BID, there is also a failure to adequately and fully consider the numerous written and oral comments opposing the establishment of this

BID. From the official results of the ballot tabulation, it also is clear that more property owners opposed the creation of this BID. Furthermore, the balloting process was improperly conducted and multiple property owners whose property are assessed as part of the BID did not even receive a ballot, thus having their vote taken from them without their consent.

Moreover, how ballots for the BID are counted is not a fair one person, one vote system. The balloting is weighted by the amount of the property assessment to be imposed upon the identified parcel. In plain language, it is stacked in favor of the rich, big property owners. This is systemic racism. Small property owners, many of them who are Chinese Americans, feel that under this balloting system, that their votes do not count. In addition, the official results show that over 60% of the property owners did not vote, either if one counts by assessment or number of parcels. To skew the balloting in favor of the establishment of BID, the City of Los Angeles voted "Yes" and their votes accounted for almost 18% of the yes votes, which was the largest proportion of votes by any property owner. To have the vote be truly representative of the community's desires, the city should have remained neutral, like the County of Los Angeles and the Los Angeles Unified School District.

In addition, the petition drive to renew that Chinatown BID did not meet the 50% support threshold by the May 20, 2020 deadline. In fact, only 24% of petitions voicing support for the BID were returned. In light of this petition result, it appears that the support of this Chinatown BID has deteriorated after 10 years of operation. The City Clerk, on June 8, 2020, issued a letter specifying that this Chinatown BID was to be discontinued by December 31, 2020. It is now understood that George Yu, the current president of the Chinatown BID, proposed the extension of this Chinatown BID via a Los Angeles City Council action. That is a questionable and biased process that must be fully and objectively investigated, especially since there was overwhelming non-support and opposition of the Chinatown BID in the petition drive. These factors showed that the continuation by the City of this BID was immoral, corrupt and racist.

The maneuver by the City to continue Chinatown BID is underhanded and lacks transparency. The Chinatown BID was called the Greater Chinatown Business Improvement District. Now it is called the Chinatown Property Business Improvement District. Was a new entity created? If so, there should have been a proper survey of the community to determine if such entity should be established, prior to the subsequent petition drive and City Council hearing on this matter. There should have been a new election for board members and formulation of new bylaws. It is this type of improper conduct and other similar non-democratic and non-transparent acts which prompted the investigation by the FBI and created an image of corruption for certain City Council members.

Presently, the Greater Chinatown BID has exceeded the normal expiration date to renew, the special assessment cannot be added to the current year's property tax bills, and a new Chinatown Property Business Improvement District has been created. According to the June 8, 2020 letter from the City Clerk's office to George Yu of the Los Angeles Chinatown Business Council, Inc., "all remaining revenues of the District, after all outstanding debts have been paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, shall be refunded to property owners in the manner described in Division 6, Chapter 9, Section 6.619 of the Los Angeles Administrative Code." Additionally, with the establishment of the new BID,

the City should not bill the property owners separately, putting a tremendous extraneous, unreasonable and unjust financial burden on the businesses and the property owners.

Additionally, we feel that there is a major conflict of interest with regard to George Yu. George Yu is the president of the Chinatown BID. He also manages Far East Plaza. That seems like a structural conflict of interest. Is he using BID to further the interest and profit of Far East Plaza or his own? This has to be thoroughly investigated immediately, especially since there is an ongoing concern that the financial record of Chinatown BID is not transparent to the Chinatown community. As far as we know, no information has been released publicly in the past 10 years. Everyone paying for the fair share of the Chinatown BID has the right to know, as well as other stakeholders in the community. So why the secrecy?

Even though almost 10 years have passed since the initial creation of Chinatown BID in 2000, we feel that not much has been done or accomplished to really improve Chinatown by the BID. Besides promoting outside developers buying up land to erect luxury apartments that the Chinatown residents cannot afford to rent, or attracting new hipster businesses which cater to a young, downtown, and rich population. The mom and pop businesses continue to suffer, especially during this COVID-19 pandemic. To achieve gentrification, BID's pseudo-police 'red shirt' patrols make things worse by continually harassing street vendors, merchants who display their wares on the sidewalk, and the unhoused. Does BID know that it is a cultural practice for Asians and Latinx businesses to display their merchandise outside of their stores that is allowed in other cities throughout this country? Does it make sense in this time of downsizing and defunding the police to have over-policing by the BID security force?

The Chinatown BID promotes events such as Summer Nights. Unfortunately they were held at night, when most of the businesses were closed. The local Chinatown businesses did not benefit because they are already closed. The local restaurants were not getting additional business, because outside food trucks were invited to cater to the visitors. Who profited from this venture?

To many business owners, BID assessments means doubling the property tax payments. The purpose of the Chinatown BID is to improve and provide special benefits to the property owners located within the BID boundaries. However, some of the special benefits are basically a duplication of what the City has already provided. Why are the property owners paying two entities to do the same job? To us, Chinatown BID invites and promotes gentrification, causing rents for small businesses and residents to unfairly rise, as well as directly and indirectly causing displacement of the working class and senior immigrants, mainly who are Chinese Americans and other people of color.

We request that there be full and proper compliance with the laws and procedures for establishing a BID, a new petition drive, balloting process, and a new public hearing to ensure that all members of the community and other interested persons are provided an opportunity to participate in this process. We also request that the Chinatown BID (which was established in violation of the Government Code Section 53753, in which all individuals were not allowed to participate in the hearing, and other applicable laws) should be disbanded and dissolved.

Sincerely,

Chinatown Community for Equitable Development (CCED)

PO Box 861927, Los Angeles, CA 90086
213-986-8887

CC: city council members:

1. Gil Cedillo
2. Paul Krekorian
3. Bob Blumenfield
4. David Ryu
5. Paul Koretz
6. Nury Martinez
7. Monica Rodriguez
8. Marqueece Harris-Dawson
9. Curren Price Jr.
10. Herb J. Wesson
11. Mike Bonin
12. John Lee
13. Mitch O'Farrell
14. Kevin de Leon
15. Joe Buscaino