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January 27, 2016

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

Council District 9 & 14

**REGARDING: THE GREATER SOUTH PARK (PROPERTY-BASED) BUSINESS
IMPROVEMENT DISTRICT'S 2016 FISCAL YEAR ANNUAL PLANNING
REPORT**

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Greater South Park Business Improvement District's ("District") 2016 fiscal year (CF 12-1168). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an Annual Planning Report for the District must be submitted for approval by the City Council. The Greater South Park Business Improvement District's Annual Planning Report for the 2016 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Greater South Park Business Improvement District was established on October 2, 2012, by and through the City Council's adoption of Ordinance No. 182278 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The City Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

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

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

The attached Annual Planning Report, which was approved by the District's Board at their meeting on October 22, 2015, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

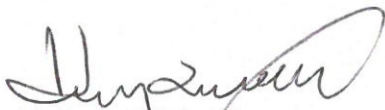
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

THAT THE CITY COUNCIL:

1. FIND that the attached Annual Planning Report for the Greater South Park Business Improvement District's 2016 fiscal year complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the Greater South Park Business Improvement District's 2016 fiscal year, pursuant to the State Law.

Sincerely,



Holly L. Wolcott
City Clerk

HLW:MCP:RMH:tkl

Attachment: Greater South Park Business Improvement District's 2016 Fiscal Year Annual Planning Report



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Greater South Park Business Improvement District **2016 Annual Planning Report**



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Operations Manager

November 19, 2015

Holly L. Wolcott, City Clerk
Office of the City Clerk
200 North Spring Street, Room 224
Los Angeles, CA 90012

**SUBJECT: GREATER SOUTH PARK PBID 2016 ANNUAL
PLANNING REPORT**

Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, the Board of Directors of the Greater South Park Business Improvement District has caused this Greater South Park Business Improvement District Annual Planning Report to be prepared at its meeting of October 22, 2015.

This report covers proposed activities of the Greater South Park BID from January 1, 2016 through December 31, 2016.

Sincerely,

Jessica Lall
Executive Director
Greater South Park Business Improvement District





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2016 Annual Planning Report

District Name

This report is for the Greater South Park Business Improvement District (District). The District is operated by South Park Stakeholders Group, Inc., a private non-profit organization.

Fiscal Year of Report

This report applies to the 2016 Fiscal year. The District Board of Directors approved the 2016 Annual Planning Report at the October 22, 2015 Greater South Park Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2016.

Benefit Zones

The District has four (4) benefit zones. For 2016 there will be no changes to the District's benefit zones.

2016 Improvements, Activities and Services

Sidewalk Operation Service: \$999,486.00 (49%)

This operational category consists of providing security to the property owners and residents of South Park as well as maintaining the sidewalks, trees and public furniture (bus benches, etc.) and graffiti removal.

Collectively, it is anticipated that the cost for all sidewalk operations (which include both security and maintenance) will be \$999,486.00 or 49% of the total budget.

Security: The security supplied by Streetplus beginning July 1, 2013 will continue in 2016. We are providing security 7 days a week. Reports of patrol finding will continue to be made on a daily basis and the findings will be posted in the monthly reports to the Board. This report will be added to the monthly newsletter that is emailed to stakeholders. In addition, we will be continuing our efforts to combat illegal vending in the district, working with LAPD on an Illegal Vending Taskforce. Lastly, we will be working more closely with LAPD on Emergency Services Coordination and Emergency Preparedness efforts. The contract for security will increase by 1.5% or \$9,581.28. Recognizing that stakeholders would like increased visibility of officers, the BID will be hiring two more part-timers to work evening shifts towards end of week when there is an increase in visitors and people visiting. Due to the increase in construction in the district, the Security team will also be coordinating directly with each construction team to ensure sites are protected.

We also provide enhanced security services through coordination with the condo/apartment security companies and additional foot, bike and Segway patrols. Additionally, we communicate regularly with the LA Convention Center security and assist them, especially



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when conventions are in town. BID security works frequently with AEG to assist with crowd control and traffic management issues created by the special event nature of these two venues.

Maintenance: The sidewalk maintenance supplied in 2015 by the Los Angeles Conservation Corps will continue in 2016. We will continue providing maintenance services 7 days per week. Streets and alleys are swept on a daily basis and bus benches and other street furniture are cleaned and power-washed, as needed. Graffiti and bulky items will be removed upon notification/identification (within 24 hours, usually less.) The Clean Team will continue a monthly focus special project, continue watering newly planting trees in the district as part of our agreement with City Plants, and putting out BID-owned tables and chairs for community events in the district. The Clean team will also have the added responsibility of caring for the 9 murals and 11 utility boxes in the district.

District Identity: \$355,308.00 (17%)

The District identity, marketing and promotion supplied in 2015 will continue in 2016, with the ongoing maintenance of our new website, which has nearly tripled traffic since it's unveiling. Our newsletters are produced monthly to help inform our stakeholders. Neighborhood guides will be created quarterly to promote all the new businesses in the district and help cultivate neighborhood identity. The BID will continue to invest as necessary in street banners and furniture to be placed on multiple streets for the public's use. Our web presence will be increased through a robust social media plan and more information on the new website. . Phase 2 of our website plan will be implemented to continue to enhance the user experience and business support – especially as it relates to our calendar and business directory, the two most utilized features on the website. The BID will also continue to act on moving the Public Art Strategic Plan forward, enhancing the public realm by focusing on community engagement events like art classes, art talks and tours. The SPBID Green Carpet Events have grown substantially in 2015, and we expect attendance and frequency to continue to grow in 2016 – with three already planned for the next year. We will also be launching a “Resident Engagement Network” to create forums for residents to meet each other, all facilitated by the BID. Lastly, the Accendo database system will continue to enhance our ability to provide better security and maintenance services, and to allow us to capture and communicate our work to our stakeholders.



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Enhanced Beautification and Sidewalk Services: \$304,644.00 (15%)

Specific blocks within the BID containing high concentration of residential condos qualify for Enhanced Beautification Operations, and are thus assessed at a slightly higher rate. Work consists of daily sidewalk and gutter cleaning, enhanced pressure washing, installation of pet waste distribution stations, focused homeless intervention and security measures, and additional amenities to the sidewalk and street frontage. These amenities may include light pole banners, sidewalk, holiday decorations and hanging planters, additional street furniture, and public art. The enhanced operations in these locations will continue in 2016, and the additional amenities will increase with the beginning of the year. Additionally, the SPBID is working towards building a parklet at 1111 S. Hope St. The parklet will expand the sidewalk onto an on-street parking space to improve the pedestrian experience. SPBID will manage and maintain the temporary parklet structure after construction is completed. The SPBID will also be looking at other creative ways to improve the pedestrian experience along Hope St.

Administration/Corporate Operations: \$219,094.00 (10%)

The District will continue to work in 2016 with the contracted BID management company (South Park Stakeholders Group, SPSG) for administration of the District services. SPSG is moving towards the implementation and use of current technologies to support the work of staff over the next year. SPSG also leases or purchases offices, phone and other equipment, and holds contracts for Security, Maintenance, Marketing and other needed Administrative/Financial services. SPSG assures that its contractors complete all work. Additionally, SPSG works with the City of Los Angeles and handles all financial and administrative requirements. Lastly, SPSG keeps abreast of projects and legislative issues that may affect the BID and its stakeholders. This year, major projects include Pico Metro Station improvements, as well as ongoing plans for My Figueroa, and the Downtown Streetcar.

Contingency/City Fees/Reserve: \$178,729.00 (9%)

The contingency for 2016 is used to cover uncollected assessments and unexpected expenditures.

Total estimate of Cost for 2016: A breakdown of the total estimated 2016 budget is attached to this report as **Appendix A**.



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Method and Basis of Levying the Assessment*

The Method and Basis for levying the 2016 assessment remains the same as listed in the Management District Plan. Annual assessments are based upon an allocation of program costs and a calculation of four (4) benefit zones with rates varying depending on frequency and type of service by linear frontage on all sides, except in Benefit Zone 2 where only the northern, southern and eastern frontages of the Los Angeles Convention Center is assessed. Services are only delivered on these sides of the Convention Center property. Residential condos are assessed a flat rate per sq ft.

Greater South Park business Improvement District assessment rates for 2016:

<u>Zone 1</u>	
Frontage	\$16.5375
Lot	\$0.072
Bldg	\$0.055
<u>Zone 2</u>	
Frontage	\$16.5375
<u>Zone 3</u>	
Frontage	\$13.23
Lot	\$0.072
Bldg	\$0.055
<u>Zone 4</u>	
Frontage	\$11.025
Lot	\$0.044
Bldg	\$0.028
<u>Residential</u>	
<u>Condo</u>	
Bldg	\$0.331

The District's Management District Plan allows for a maximum annual assessment increase of 5%. The Board voted to increase the assessment by five (5%) for 2016.

The District's 2016 Total Assessment is \$2,057,261.00.

Surplus Revenues

At the end of 2015, the District will have an estimated \$00.00 of surplus revenue that will be rolled over into 2016 budget. The District Board of Directors authorized the rollover at its 10/22/2015 meeting.

**APPENDIX A
FY 2016**

	TOTALS
Assessment Revenue	2,057,261
Carryover Funds from 2015	-
Total Revenues	2,057,261
Sidewalk Operation Services	999,486
District Identity	355,308
Enhanced Beautification & Sidewalk Services	304,644
Administration	219,094
Contingency/City Fees/Reserve	178,729
Total Revenues	2,057,261
Sidewalk Operation Services	
Contract Security Services	518,667
Contract Maintenance Service	319,858
Salaries & Benefits - Security	44,979
Field Supplies/Materials	8,160
Security/Maintenance Other	75,689
Salaries & Benefits - Maintenance	32,133
Sidewalk Operation Services Total Expenditures	999,486
District Identity	
Community Development /Events	19,000
Marketing/Advertising/PR	65,000
Publications/Printing/Mailers/Website/Dues	38,000
Parking/Travel/Insurance/Other	55,996
Salaries & Benefits - DI & Mktg	177,312
District Identity Total Expenditures	355,308
Enhanced Beautification & Sidewalk Services	
Sidewalk Operation Services	249,871
Administrative	54,773
Enhanced Beautification & Sidewalk Services Total Expenditures	304,644
Administration	
Rent (705)	47,313
Telephone/Utilities/Repair & Maintenance	16,428
Office/Postage/Supplies/Payroll Processing	10,842
Computer and IT Expenses (715)	9,857
Insurance	10,908
Finance/Accounting/Bank	42,720
Legal (732)	4,000
Outside Services/Other	20,365
Salaries & Benefits - Admin	56,661
Administration Total Expenditures	219,094
Contingency/City Fees/Reserve	
Uncollectible Assessments	117,012
Contingency Reserve	41,144
City Fee @ 1%	20,573
Contingency/City Fees/Reserve Total Expenditures	178,729
Total Fees & Expense	2,057,261



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Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2016.

Contributions from Sources other than assessments: (\$0)