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January 06, 2026

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

Council Districts 9, 14

REGARDING: THE SOUTH PARK 2023-2029 (PROPERTY BASED) BUSINESS IMPROVEMENT DISTRICT'S 2026 FISCAL YEAR ANNUAL PLANNING REPORT

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the South Park 2023-2029 Business Improvement District's ("District") 2026 fiscal year (CF 22-0310). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36650, an Annual Planning Report for the District must be submitted for approval by the City Council. The South Park 2023-2029 Business Improvement District's Annual Planning Report for the 2026 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The South Park 2023-2029 Business Improvement District was established on September 13, 2022 by and through the City Council's adoption of Ordinance No. 187570 which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk and shall refer to the district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of 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 30, 2025, complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

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

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the South Park 2023-2029 Business Improvement District's 2026 fiscal year complies with the requirements of the State Law
2. FIND that the increase in the 2026 budget concurs with the intentions of the South Park 2023-2029 Business Improvement District's Management District Plan and does not adversely impact the benefits received by assessed property owners.
3. ADOPT the attached Annual Planning Report for the South Park 2023-2029 Business Improvement District's 2026 fiscal year, pursuant to the State Law.

Sincerely,
Patrice Lattimore
City Clerk

A handwritten signature in black ink, appearing to read "Pat. Latt", written in a cursive, stylized script.

South Park 2023-2029
Business Improvement District

2026 Annual Planning Report

District Name

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

Financial Year of Report

The report applies to the 2026 Fiscal Year. The District Board of Directors approved the 2026 Annual Planning Report at the October 30, 2025 Board of Director's meeting.

Boundaries

There are no changes to the District boundaries for 2026.

Benefit Zones

There are no changes to the District boundaries for 2026.

2026 IMPROVEMENTS, ACTIVITIES AND SERVICES

CLEAN AND SAFE PROGRAMS : \$3,486,417.04 (69.93%)

Safe Team Program

The Safety Program will provide safety services for the individual parcels located within the District in the form of patrolling bicycle personnel and vehicle patrols.

District will consist of the following:

- Bicycle, Vehicle Patrol and Foot Patrol
- Homeless Outreach & Intervention Programs

Clean Team Program

Uniformed, radio equipped personnel sweep litter, debris and refuse from sidewalks and gutters of the District. Paper signs and handbills that are taped or glued on property, utility boxes, and poles are removed. District personnel will pressure wash sidewalks when needed. Collector truck personnel collect trash from sidewalk trash receptacles. Painters remove graffiti by painting, using solvent and pressure washing. The District maintains a zero-tolerance graffiti policy. An effort is made to remove all tags within 24 hours on weekdays. Street tree trimming is important to keep the District looking attractive and will be considered when the budget allows.

Services include:

- Sidewalk Sweeping
- Sidewalk Pressure Washing
- Graffiti & Handbill Removal
- Trash Removal, Illegal Dumping Removal
- Landscaping
- Public Space Management

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- Safety ambassadors patrol seven (7) days a week with various frequencies based upon the needs of individually assessed parcels and scale of activities taking place within the District.
- Safety Ambassador schedules to continually be modified to accommodate district events and surrounding venue schedules in South Park, including SPBID events, to provide a district presence
- Safety Ambassadors to continue making contact with stakeholders, including, businesses, property owners and management. The ongoing effort allows Safety Ambassadors to inform stakeholders to the services SPBID offers
- Clean Team daily sidewalk and cleanup of debris in alleys to continue
- Removal of bulky items as necessary;
- Tree trimming, watering of the trees, and maintenance of landscaping.
- Sidewalk pressure washing, as needed;
- Enhanced trash emptying, provided at various frequencies for Benefit Zones, based upon the needs of individually assessed parcels within that Zone;
- Installation, stocking and upkeep of pet waste distribution stations on the frontages adjacent to the blocks with high concentrations of residential condo individually assessed parcels;
- Enhancement and beautification of sidewalks on the frontages adjacent to the blocks with high

concentrations of residential individually assessed parcels

- Outreach to people experiencing homelessness
- Graffiti removal, within 24 hours as necessary;
- Daily driving inspections of the district;
- Proportional share of the Administrative and Contingency costs to cover the oversight of the Enhanced beautification special benefit services;
- Vehicle maintenance and insurance;
- Administrative services related to the execution of these services.

MARKETING & DISTRICT IDENTITY : \$764,118.88 (15.33%)

The following are the marketing and district identity programs:

- Media and Communication Programs
- Activation of District Spaces
- Placemaking Programs
- District stakeholder communications
- Communication with public bodies
- Website

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- Special events focusing on promoting education and dialogue, supporting businesses, and community building will continue.
- Marketing and promotions strategies such as the weekly newsletters, frequent eblasts, social media updates, and physical collateral;
- Web site development and maintenance;
- Membership to industry-focused organizations like International Downtown Association, and travel to participate in external events;
- Economic development efforts, focusing on retail attraction and key infrastructure projects will continue.
- Administrative services related to the execution of these services.

ADMINISTRATION & MANAGEMENT : \$734,769.64 (14.74%)

Management staff expenses are allocated according to generally accepted accounting job costing procedures and are allocated to the specific areas in which staff works (see Section 3, for detail on allocation). The improvements and activities are managed by a professional staff that requires centralized administrative support. Management staff oversees the District's services which are delivered seven days a week. A well-managed District provides necessary BID program oversight and guidance that produces higher quality and more efficient programs.

Administration & Management are for administration items such as office expenses, professional services, organizational expenses such as insurance, the cost to conduct a yearly financial review, City fees to collect and process the assessments. Additionally, a contingency of 2% of the total assessment income for unexpected expenses and/or revenue shortfall is included in this budget item. Contingencies not used each year will be applied to programs in that current year. Renewal of the District will be funded from this line item.

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- Staff and administrative costs
- Vendor relations
- Operations
- Insurance
- Office related expenses
- Financial reporting
- Legal and Accounting
- Delinquencies- A percent of the budget is held in reserve to offset delinquent and/or slow payment from both public and private properties – see above
- City Fee and County fees- Assessments are budgeted to fund the expenses charged by the City of Los Angeles and County of Los Angeles for collection and distribution of District revenue

Total Estimate of Cost for 2026

A breakdown of the total estimated 2026 budget is attached to this report as **Appendix A**

Method and Basis of Levying the Assessment

The Method and Basis for levying the 2026 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 assessable building square footage. Three property assessment variables, building square footage (55%), parcel square footage (14%) and front footage (31%) will be used in the calculation of Zone 1. One property assessment variable, front footage (100%) will be used in the Zone 2 calculation. Three property assessment variables, building square footage (50%), parcel square footage (20%) and front footage (30%) will be used in the calculation for Zones 3 and 4. One property variable, building square footage will be used in the residential condominium zone calculation. The management plan allows for a maximum annual CPI increase of 5%. The Board voted for a 5% CPI increase for 2026.

2026 assessment rates:

Zone 1

Building Square Footage \$0.0975

Parcel Square Footage \$0.1136

Front Footage \$27.0603

Zone 2

Front Footage \$18.6630

Zone 3

Building Square Footage \$0.1080

Parcel Square Footage \$0.0919

Front Footage \$13.7084

Zone 4

Building Square Footage \$0.735

Parcel Square Footage \$0.0737

Front Footage \$9.8940

Residential Condo Zone Building Square Footage \$0.5357

(There is a 5.0% CPI increase for 2026)

Surplus Revenues: \$411,425.00

Source of funds:

The source of funds are assessments that were collected in 2025, and unspent by end of Q4. Largely due to lower-than-expected personnel costs and delays in invoicing for projects/purchases pending completion. The BID also collected additional fees for service from LA Tourism.

Reason funds were not spent by end of Q4:

District Identity and Marketing projects did not receive final approvals from City of Los Angeles or NGO partners in time to initiate and complete the projects by end of Q4. Build to order equipment expenditures for Clean and Safe were not completed by end of Q4.

Service Impact:

There was no impact to service. These were costs associated with projects, programs, and/or equipment stated to be utilized in future years. We were also able to deliver expected Admin and District Identity and Marketing services at reduced costs.

Use of Rollover Funds:

Rollover funds will be used completing equipment purchases that will increase efficiency of clean and safe team in Q1, and completing placemaking projects like Pico Triangle, Venice Hope Park, ground floor window wraps, and string lighting in Q1. We will also be using rollover funds to pay invoices for contract services provided in Q4 of 2025 by clean and safe contractor and marketing and communications contractor, but not likely to be invoiced or paid until after January 1, 2026.

Anticipated Deficit Revenues

There are no deficit revenues that will be carried over to 2026.

Contribution from Sources other than assessments: \$253,908.24

FY 25-26 General Benefit of \$53,908.24 and Other Income of \$200,000.00 - Los Angeles Tourism Agreement

APPENDIX A - TOTAL ESTIMATED REVENUES/EXPENDITURES FOR THE South Park 2023-2029 - FY 2026

2026 Estimated Revenues	Zone 1	Zone 2	Zone 3	Zone 4	Condo Zone	Total	
2026 Assessments	\$581,900.25	\$146,447.06	\$33,739.97	\$55,204.72	\$12,680.33	\$830,972.32	
Estimated Carryover from 2025	\$55,418.95	\$13,947.31	\$60,356.05	\$67,161.97	\$14,540.72	\$211,425.00	
Other Income	\$34,201.44	\$8,607.49	\$7,248.34	\$103,162.92	\$70,688.02	\$253,908.24	
Total Estimated Revenues	\$671,520.65	\$169,001.87	\$101,344.37	\$225,529.62	\$97,909.07	\$1,085,305.56	
2026 Estimated Expenditures	Zone 1	Zone 2	Zone 3	Zone 4	Condo Zone	Total	PCT %
CLEAN AND SAFE PROGRAMS	\$469,620.37	\$118,189.55	\$11,457.18	\$16,531.29	\$70,618.50	\$686,417.04	69.93%
MARKETING & DISTRICT IDENTITIY	\$102,926.81	\$25,903.63	\$12,096.23	\$10,461.52	\$12,730.70	\$164,118.88	15.33%
ADMINISTRATION & MANAGEMENT	\$98,973.47	\$24,908.69	\$107,790.73	\$298,536.92	\$104,559.87	\$634,769.64	14.74%
Total Estimated Expenditures	\$671,520.65	\$169,001.87	\$101,344.37	\$225,529.62	\$97,909.07	\$1,085,305.56	100.00%