



**Board Report**

**File #:** 2019-0246, **File Type:** Program

**Agenda Number:** 10.

**FINANCE, BUDGET AND AUDIT COMMITTEE  
JUNE 19, 2019**

**SUBJECT: HIGHLAND PARK BUSINESS IMPROVEMENT DISTRICT**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to sign the Petition to establish the Highland Park Business Improvement District (BID) for a period of five years commencing January 1, 2020 through December 31, 2024, for an estimated amount not to exceed \$9,239 over the life of the BID renewal.

**ISSUE**

Per established Metro Board Guidelines, all BIDs that have not yet been approved by the Metro Board of Directors require board authorization to participate. Thereafter, those BIDs less than \$500,000 may be re-authorized by the appropriate Metro official depending on financial authority limits required.

**BACKGROUND**

The Highland Park BID is one of the City of Los Angeles' 42 BIDs. Metro owns one parcel within the boundaries of the Highland Park BID which comprises a quarter of one percent of the total assessed property within the BID boundaries. Metro acquired this property as part of the purchase of the Pasadena Subdivision from the Southern Pacific Railroad (now Union Pacific Railroad) in 1992. The BID, first formed in 2010, is seeking authorization for an additional five years.

Annual assessment payments to the BID are made to the City of Los Angeles Clerk's Office as fiduciary collecting for all BIDs citywide.

**DISCUSSION**

Given Metro's marginal amount of assessed land (see Attachment A), staff had foregone submission to the Board of Directors for authorization of the Highland Park BID in 2010 and renewal in 2015. Even without Metro's return of a petition, the BID was approved by a majority of business owners and Metro was required to pay its annual assessment over the BID's authorized periods spanning ten years. However, for this petition cycle, the BID has asked Metro to return the petition to ensure representation of all BID stakeholders.

Per Metro's established guidelines (Attachment C), Real Estate has evaluated the property within the Highland Park BID and determined it is Tier 1 - No Benefit to Metro given the property use is operating right-of-way for the Gold Line light rail transit.

However, participation in the BID provides community benefit for local businesses impacted continually by Metro transit operations. But for the BID, the crucial community services may not be provided. Several owners have publicly stated that the community is well served with the BID services.

#### Equity Platform:

BID assessments support equity by providing for a general subsidy to support neighborhood cleanliness, hygiene, and safety.

### **DETERMINATION OF SAFETY IMPACT**

Approval of participation in the BID will have no impact on safety to Metro operations or customers.

### **FINANCIAL IMPACT**

Authorization and participation in the BID, if approved by a majority of businesses in the BID's extent, would have a total cost of \$9,239 over the life of the five-year term.

#### Impact to Budget

All BID payments are funded from the General Fund - Real Estate Lease Revenue. Costs are budgeted under Cost Center 0651 (ND Real-Estate), Account No. 50799 (Taxes).

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Participating in the BID provides responsive, accountable, and trustworthy governance as stated in Strategic Plan Goal #5 by demonstrating Metro's commitment to be civically engaged in the communities which it owns property.

### **ALTERNATIVES CONSIDERED**

The board could choose not to participate in the BID at which point no additional steps would be required by Metro. Given the small proportion of Metro's land within the BID, Metro not participating in the petition would be unlikely to impact whether or not the BID petition is successful. However, this would be the first BID that Metro did not support and may cause ill will towards Metro from the community. If the BID passes, regardless of whether or not Metro supports it, Metro will still be responsible for the annual payments.

### **NEXT STEPS**

- 
1. Upon Board approval, Real Estate staff will return the petition to BID management and if the BID passes, will make annual payments as assessed by the City of Los Angeles Clerk's Office each year of the BID's five-year term.
  2. In fall 2019, staff will bring back to the Board a revised policy for participation in Business Improvement Districts to allow for authority to be delegated to the Metro CEO to sign petitions under an established threshold and to revise the Tier description language to ensure that the descriptions reflect the benefit received.

## **ATTACHMENTS**

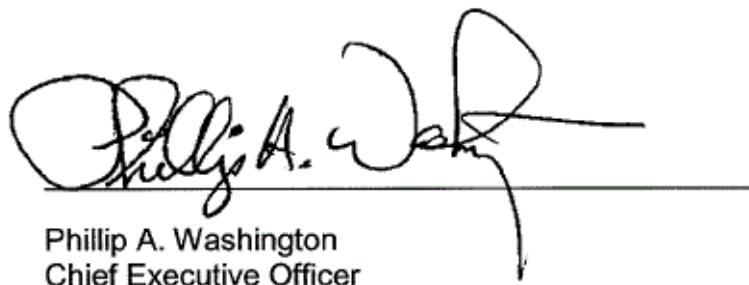
Attachment A - Map of Highland Park BID

Attachment B - Highland Park BID Renewal Documents

Attachment C - Guidelines on BID Participation

Prepared by: John Potts, Executive Officer, Countywide Planning & Development, (213) 928-3397  
Holly Rockwell, Sr. Exec. Officer - Real Estate, Transit Oriented Communities and Demand, (213) 922-5585

Reviewed by: Laurie Lombardi, Interim Chief Planning Officer, (213) 418-3251



Phillip A. Washington  
Chief Executive Officer

# Highland Park BID



## Metro Property within Proposed BID Assessment Area



### Evaluation to MTA General Guidelines for the Participation in Proposed Assessment Districts

**Metro Benefit**

Tier 1 - No Benefit to MTA

**Parcel Number**

5492025902





## North Figueroa Association

Highland Park Business Improvement District  
Office: 323-255-5030 Security 800-350-1944 Maintenance 213-545-0812  
Website: oldla.org Email: Misty@oldla.org

### Executive Board

Tom Wilson  
President  
Southwest Shopping  
Centers

Stuart Rapeport  
VP /interim treasurer  
Property Owner

Amy Inouye  
Secretary  
Future Studio

### Board Members

Gina Alza  
Alza Medical

Gustavo Alza  
Alza Medical

Richard Calderon  
Reina's Insurance

Cyrus Etemad  
Property Owner

Dalton Gerlach  
Property Owner

John Harb  
Security Chair  
The Shop

Dennis Hernandez  
Antigua Bread

Irene Holguin  
Arroyo Vista Health

Alex Rudisky  
Property Owner

Misty Iwatsu  
Executive Director

March 7, 2019

Dear Fellow Property Owner,

As I am sure you are aware, for the last 17 years the North Figueroa Association has been providing security patrols, sweeping, graffiti removal, trash pickup and many other services along the North Figueroa corridor. The NFA is a not for profit Business Improvement District that is run for and by the commercial property owners on Figueroa, from Avenue 50 to Piedmont Avenue. I would like to thank you for your support of this organization through your property tax assessments and for voting for its renewal over the years.

I am sure that like me, you have seen the changes brought about by the NFA. The streets are cleaner, violent crime is way down and the theft rate has dropped dramatically. People are coming to shop at the Farmers Market and attend events staged along Figueroa. Buildings are being renovated. People are coming to North Figueroa. The result of this is that our vacancy rates have dropped, and the sales at our businesses and tenant's businesses have increased.

In order to continue to provide security, safety and sanitation along our street, we must now renew the NFA's charter through the enactment of a new Management District Plan. This is a requirement of all Business Improvement Districts, one that we have all been through before. This plan continues the work of the NFA and extends its reach through York Boulevard. I have enclosed a copy of the plan, as well as our engineer's report and a petition for you to sign and return. This petition allows us to start the process of renewal, which will culminate in a vote of all property owners later this year, after the City of Los Angeles has given its approval.

The work of the North Figueroa Association has greatly benefitted my property, which is why I am proud to be on its volunteer Board of Directors along side the other North Figueroa property owners listed on the side of this letter. I urge you to sign this petition and return it as soon as possible so that we can continue this important work.

Thank you for all your help,

A handwritten signature in blue ink that reads 'Tom'.

Thomas B. Wilson  
Southwest Shopping Centers



# North Figueroa Association

Highland Park Business Improvement District  
 Office: 323-255-5030 Security 800-350-1944 Maintenance 213-545-0812  
 Website: oldla.org Email: Misty@oldla.org

To Highland Park BID Property Owners:

### Executive Board

Tom Wilson  
 President  
 Southwest Shopping  
 Centers

Stuart Rapeport  
 VP /interim treasurer  
 Property Owner

Amy Inouye  
 Secretary  
 Future Studio

### Board Members

Gina Alza  
 Alza Medical

Gustavo Alza  
 Alza Medical

Richard Calderon  
 Reina's Insurance

Cyrus Etemad  
 Property Owner

Dalton Gerlach  
 Property Owner

John Harb  
 Security Chair  
 The Shop

Dennis Hernandez  
 Antigua Bread

Irene Holguin  
 Arroyo Vista Health

Alex Rudisky  
 Property Owner

Misty Iwatsu  
 Executive Director

The North Figueroa Association would like to thank all of you, our property owners, for supporting the Highland Park Business Improvement District (BID) through your BID assessment for the past 18 years.

This is how **your** Highland Park BID \$'s are working for you, these activities took place in 2018:

### Maintenance (Clean Team):

	<u>2018</u>		<u>2020 if not renewed</u>
•	11,015	Number of trash bags removed	0
•	253,345	Lbs. of trash were removed	0
•	2,272	Graffiti tags were removed	0
•	952	Bulky items were removed	0

In addition to removing of weeds, tree and flower watering, sidewalk sweeping, tree trimming and any special maintenance requests requested by property owners. Maintenance Hotline is: 213-545-0812



Before

After



### Security (Safe Team):

	<u>2018</u>		<u>2020 if not renewed</u>
•	356	patrol calls for service	0
•	1965	patrol client contacts	0
•	3280	public contacts	0

Security officers are patrolling 7 days per week. Security Hotline is: 800-350-1944

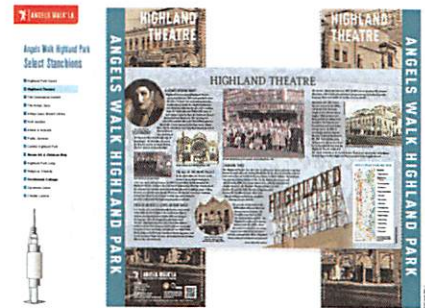




**Marketing & Promotion:**

- Quarterly newsletters
- Community awareness cards
- Old L.A. Certified Farmers Market- now accepts EBT and offers Market Match
- Special Events including Easter, Halloween, and Christmas to name a few.

With your ongoing support of the BID, the district has seen an increase in foot traffic and lower storefront vacancies, due in part to the Clean and Safe programs. We have partnered and received generous grants from L.A.N.I. (L.A. Neighborhood Initiative) for sidewalk mosaic tiles design and installation, Angels Walk for Angels Walk Self-Guided Historic Trail stanchions, and the National Park Service and community partners for the relighting of the historic Highland Theatre and Mannings Coffee Store rooftop signs to highlight the history and uniqueness of our commercial corridor.



As we move forward with the renewal of the Highland Park BID, enclosed is a petition from the North Figueroa Association. This is the first step in a multi-step process which culminates into a vote that you the property owner will vote on.

**Please mark** the petition "YES" to continue making Highland Park Clean and Safe. Send it as soon as possible by fax: 323-257-1036 or email: [misty@oldla.org](mailto:misty@oldla.org).

If you have any questions, please don't hesitate to reach out at 323-255-5030.

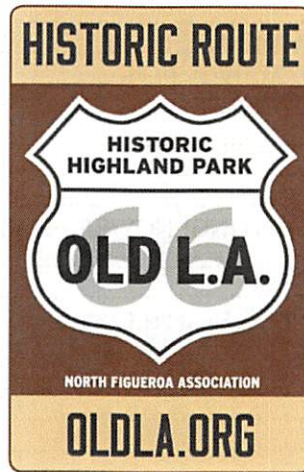
Sincerely,  
*Tom Wilson*

Tom Wilson, President

*Misty Iwatsu*

Misty Iwatsu, Executive Director

# HIGHLAND PARK PROPERTY BUSINESS IMPROVEMENT DISTRICT



Los Angeles, California

## MANAGEMENT DISTRICT PLAN

**Presented by:**  
North Figueroa Association  
Council District 1  
Misty Iwatsu

**DRAFT- MARCH 7, 2019**



<b>SECTION 1.....</b>	<b>3</b>
<b>MANAGEMENT DISTRICT PLAN.....</b>	<b>3</b>
EXECUTIVE SUMMARY .....	3
<b>SECTION 2.....</b>	<b>5</b>
<b>HIGHLAND PARK PBID BOUNDARY .....</b>	<b>5</b>
GENERAL BOUNDARY DESCRIPTION.....	5
<i>Benefit Zones.....</i>	5
<i>Detailed Boundary Description.....</i>	5
<i>District Boundary Rationale .....</i>	6
<i>Boundary Summation.....</i>	7
<b>SECTION 3.....</b>	<b>8</b>
<b>DISTRICT IMPROVEMENT AND ACTIVITY PLAN.....</b>	<b>8</b>
PROCESS TO ESTABLISH THE IMPROVEMENT AND ACTIVITY PLAN .....	8
SIDEWALK OPERATIONS & BEAUTIFICATION (78%) .....	9
SAFE PROGRAM.....	9
CLEAN PROGRAM .....	9
BEAUTIFICATION PROGRAM.....	10
DISTRICT IDENTITY, ORGANIZATION & CONTINGENCY/RESERVE (22%).....	10
CITY BASELINE SERVICES.....	10
GENERAL BENEFIT .....	11
5 YEAR OPERATING BUDGET (SPECIAL AND GENERAL BENEFIT COSTS) .....	11
IMPLEMENTATION TIMETABLE .....	12
BUDGET ADJUSTMENTS .....	12
DISTRICT ROLLOVER .....	12
CAP .....	12
<b>SECTION 4.....</b>	<b>12</b>
<b>ASSESSMENT METHODOLOGY .....</b>	<b>12</b>
CALCULATION OF ASSESSMENTS.....	12
LINEAR STREET FRONTAGE DEFINED .....	13
BUILDING AREA SQUARE FOOTAGE DEFINED .....	13
LOT AREA SQUARE FOOTAGE DEFINED .....	13
ASSESSMENT CALCULATION FORMULA .....	13
MAXIMUM ANNUAL ASSESSMENT ADJUSTMENTS.....	13
TOTAL ASSESSABLE FOOTAGE .....	13
FUTURE DEVELOPMENT .....	13
TIME AND MANNER FOR COLLECTING ASSESSMENTS.....	13
PUBLIC AGENCY ASSESSMENTS .....	14
RESIDENTIAL ASSESSMENTS .....	15
<b>SECTION 5.....</b>	<b>15</b>
<b>DISTRICT RULES AND REGULATIONS.....</b>	<b>15</b>
RENEWAL .....	15
BONDS .....	15
DISTRICT FORMATION .....	15
DURATION .....	15
GOVERNANCE .....	15
DISESTABLISHMENT .....	16
<b>APPENDIX A .....</b>	<b>16</b>
<b>APPENDIX B.....</b>	<b>18</b>

# Section 1

## Management District Plan

### Executive Summary

The name of the assessment district is the Highland Park Property Business Improvement District (HPPBID). The district is being established pursuant to the Property and Business Improvement District Law of 1994 as amended (Streets & Highways Code Section 36600 et seq.; hereinafter the "State Law"). The HPPBID is the successor to the "Alpha BID," formed in 2011 and expired December 31, 2019. This document is the Management District Plan (MDP) required by Section 36622 of the State Law. It proposes improvements and activities that revitalize and enhance the area and convey special benefits to assessed properties located within the boundaries of the HPPBID.

Services and improvements provided by the HPPBID are designed to convey special benefits to the assessed parcels within the district in the form of improving the economic and environmental vitality while preserving and strengthening the historical nature of the district. HPPBID programs provide special benefits to assessed parcels with retail, mixed use commercial, parking, restaurant, art, industrial and office uses.

The HPPBID will provide improvements and activities, including but not limited to street cleaning, security, beautification, marketing, administration and other special programs like the Old L.A. Certified Farmers Market within the district boundaries. All of the services and activities provided are over and above the City of Los Angeles's (City) baseline of services, are not provided by the City, and are not provided outside of the District.

The City of Los Angeles (LA), is a major property owner in the district. The City parcels will be deriving special benefits since the peripheral cleaning of parking lots will attract more visitor and vehicular traffic, which creates additional sales tax and parking revenue for the City, which will in turn provide greater economic prosperity for the district. In addition, the current base level of services that exists in and around City parcels will be supplemented by the assessment district and will ensure a system of cleanliness, beautification and reduction of criminal activity around many of these vacant or underutilized City owned parcels. Only special benefits can be assessed and the inclusion of City parcels into the HPPBID will result in a cleaner, more attractive and inviting parking experience, which helps increase the number of visitors to the shopping areas, and directly relates to fulfilling its public service mission. Article XIII D of the California Constitution was added in November of 1996 to provide for these assessments. It specifically states in Section 4(a) that "Parcels within a district that are owned or used by any agency ... shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit."

### Boundary Setting

Highland Park is a community that developed in the latter part of the nineteenth century along the axis provided by the Arroyo Seco and Figueroa Street, the principal transportation route between downtown Los Angeles, South Pasadena, and Pasadena to the north and east. Highland Park was the earliest artist colony in the emerging metropolis and a vibrant center of the Arts and Crafts movement in the early Twentieth Century. This history is represented by a rich architectural heritage. It includes a well-developed low-rise commercial strip on Figueroa Boulevard

Highland Park contains some of the oldest traces of urban development in Northeast Los Angeles, dating from the 1870's. This is a result of the proximity to the center of Los Angeles. special historic designation as one of the final legs of Route 66, which served as the first east-west freeway in the United States. It remains a major thoroughfare and is the anchor for the HPPBID boundaries. The district is located directly to the west of and running parallel to the historic Arroyo Seco freeway, (110).

### HPPBID BOUNDARIES

#### General Boundary Description

The Highland Park PBID encompasses 13 blocks centered along N. Figueroa Street in Los Angeles between Avenue 50 on the south(west) and York Boulevard on the north (east). See section 2 for detailed boundary description.

**Benefit Zones**

There is one benefit zone within the proposed District.

**Budget**

The total District budget for the first year of operation is approximately \$627,850 and is composed of the following elements:

**Sidewalk Operations & Beautification (78%)**

Security (Safe), Street Maintenance (Clean), Beautification, Design Elements and any Right-of-Way consulting, etc.

**Corporate Identity, Organization and Contingency/Reserve (22%)**

Organization, marketing and promotions and contingency/reserve

Programs	% of Budget	Annual Cost (Year 1)
Sidewalk Operations & Beautification	78%	\$489,723
District Identity, Organization & Contingency/Reserve	22%	\$138,127
<b>Total</b>	<b>100%</b>	<b>\$627,850</b>

**Source or Method of Financing**

The basis of funding shall be through special benefit assessments levied on real property based on building square footage, parcel square footage and parcel front linear footage.

**Benefit Zones**

The State Law and State Constitution Article XIID require that special assessments be levied according to the special benefit each parcel receives from the improvements. There is one benefit zone.

**Cost**

Annual assessments are based upon an allocation of program costs and a calculation of assessable footage. Three property assessment variables, linear frontage, lot square footage, building square footage, will be used in the calculation.

**District Formation**

District formation requires submission of favorable petitions from property owners representing more than 50% of total assessments to be paid and the return of mail ballots evidencing a majority of ballots cast in favor of the assessment. Ballots are weighted by each property owner's assessment as proportionate to the total proposed District assessment amount.

**Duration**

The District will have a 5-year life beginning January 1, 2020 and ending December 31, 2024.

**Governance**

The North Figueroa Association will review District budgets and policies annually within the limitations of the Management District Plan. Annual and quarterly reports, financial statements and newsletters will be filed with the City of Los Angeles (City). The North Figueroa Association will oversee the day to day implementation of services as defined in the Management District Plan.



## Section 2

### Highland Park PBID Boundary

Highland Park is a community that developed in the latter part of the nineteenth century along the axis provided by the Arroyo Seco and Figueroa Street, the principal transportation route between downtown Los Angeles, South Pasadena, and Pasadena to the north and east. Highland Park was the earliest artist colony in the emerging metropolis and a vibrant center of the Arts and Crafts movement in the early Twentieth Century. This history is represented by a rich architectural heritage. It includes a well-developed low-rise commercial strip on Figueroa Boulevard

Highland Park contains some of the oldest traces of urban development in Northeast Los Angeles, dating from the 1870's. This is a result of the proximity to the center of Los Angeles. special historic designation as one of the final legs of Route 66, which served as the first east-west freeway in the United States. It remains a major thoroughfare and is the anchor for the HPPBID boundaries. The district is located directly to the west of and running parallel to the historic Arroyo Seco freeway, (110).

The Highland Park Property Business Improvement District is being established for a five (5) year term. The proposed District is located in the northeast section of Los Angeles on North Figueroa. Generally, the District extends along North Figueroa from York Blvd east to Avenue 50 west. This area includes commercially and industrially zoned parcels that encompass a dynamic traditional shopping and dining business center surrounded by charming historic neighborhoods.

#### General Boundary Description

The Highland Park PBID encompasses 13 blocks centered along N. Figueroa Street in Los Angeles between Avenue 50 on the south(west) and York Boulevard on the north (east).

#### Benefit Zones

There is one benefit zone within the proposed District.

#### Detailed Boundary Description

The proposed HPPBID includes all parcels fronting along both sides of the N. Figueroa Street corridor between Avenue 50 and York Boulevard as well as 31 parcels (identified below) with non - N. Figueroa Street frontage. It is noted that the proposed HPPBID boundaries and the general grid street system within, lie at an angle of approximately 30 degrees to the northeast of north. For simplicity in describing the boundaries herein, the terms of north, east, south and west are used instead of northeast, southeast, southwest and northwest, respectively. This means that N. Figueroa Street will be assumed to lie on a "north/south" axis.

#### Northern Boundary

The northern boundary of the proposed HPPBID coincides with the centerline of York Boulevard.

#### Eastern Boundary

The eastern boundary of the proposed HPPBID is irregular and generally lies along the eastern boundaries of those parcels fronting along the east side of N. Figueroa Street between York Boulevard and Avenue 50 and also includes the following parcels starting from north to south:

York Blvd. to Marmion Way – one parcel deep plus, APN 5492-034-901

Marmion Way to Avenue 61 – one parcel deep only

Avenue 61 to Avenue 60 – one parcel deep plus, APN 5492-024-014

Avenue 60 to Avenue 59 – one parcel deep plus, APN 5492-015-007

Avenue 59 to Avenue 58 – one parcel deep plus, APNs 5492-011-900 & 901

Avenue 58 to Avenue 57 – one parcel deep plus, APNs 5492-002-008, 013, 028, 900 & 901

Avenue 57 to Avenue 56 – one parcel deep plus APNs 5468-032-901, 902 & 903

Avenue 56 to Roselawn Place – one parcel deep plus APNs 5468-025-017, 900 & 901

Roselawn Place to Avenue 50 – one parcel deep only

### **Southern Boundary**

The southern boundary of the proposed HPPBID coincides with the centerline of Avenue 50.

### **Western Boundary**

The western boundary of the proposed HPPBID is irregular and generally lies along the western boundaries of those parcels fronting on the west side of N. Figueroa Street between York Boulevard and Avenue 50 and also includes the following parcels starting from north to south:

York Blvd. to Avenue 59 – one parcel deep only

Avenue 59 to Avenue 58 – one parcel deep plus, APNs 5492-012-021 & 900

Avenue 58 to Avenue 57 – one parcel deep plus, APNs 5492-001-007, 900, 901 & 902

Avenue 57 to Avenue 56 – one parcel deep plus, APNs 5468-033-015, 900, 901, 902 & 903

Avenue 56 to Avenue 55 – one parcel deep plus APN 5468-024-006

Avenue 55 to Avenue 54 – one parcel deep plus APNs 5468-021-024 & 030

Avenue 54 to Avenue 50 – one parcel deep only

The boundary of the proposed HPPBID and parcels within it are shown on the map of the HPPBID attached as Appendix 2 to this Report.

There is one benefit zone within the proposed District.

### **District Boundary Rationale**

The HPPBID boundaries encompass the commercial core parcels where the main economic activity of Historic Highland Park is centered along N. Figueroa Street (Old Route 66). These parcels showcase a unique array of uses - retail, restaurant, service, office, art studios, light industrial and commercial parking that form the “cohesive commercial fabric” of Highland Park.

The District boundaries were chosen to include all of the general commercial parcels that comprise the commercial core that attracts customers and visitors to the area centered along N. Figueroa Street between York Boulevard and Avenue 50.

As described earlier, for description simplicity, N. Figueroa Street will be assumed to lie on a “north/south” axis.

### **Northern Boundary**

The northern boundary of the HPPBID is the centerline of York Boulevard. The area to the north of York Boulevard along N. Figueroa Street is comprised of commercial parcels with businesses that have different marketing needs and focus than the parcels within the HPPBID. It was determined during the boundary feasibility phase that HPPBID programs and services such as Sidewalk Operations, District Identity and Place Making, Administration and Contingency, Reserve & Uncollected Funds would not specially benefit the parcels and business north of York Boulevard. Therefore commercial parcels and businesses north of the northern boundary are not included in the HPPBID. No HPPBID services will be provided north of the northern boundary.

The HPPBID will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided north of the northern District boundary.

#### **Eastern Boundary**

The eastern HPPBID boundary is irregular but includes all commercial parcels and uses along the east side of N. Figueroa Street generally only one parcel deep but inclusive of adjacent commercial parking lots and extended commercial uses. Parcels to the east of the eastern boundary are either zoned residential and/or parcels with residential uses. These parcels will not specially benefit from the HPPBID programs, improvements and services which are designed to improve commerce and economic vitality of assessed parcels within the HPPBID. Further, the Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, "Properties zoned solely for residential use..... are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment .....". For these reasons, no residentially zoned parcels or residential uses east of the HPPBID eastern boundary are included in the District.

The HPPBID will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided east of the eastern District boundary.

#### **Southern Boundary**

The southern boundary of the HPPBID is the centerline of Avenue 50. The area to the south of Avenue 50 along N. Figueroa Street is comprised of commercial parcels with businesses that have different marketing needs and focus than the parcels within the HPPBID. It was determined during the boundary feasibility phase that HPPBID programs and services such as Sidewalk Operations, District Identity and Place Making, Administration and Contingency, Reserve & Uncollected Funds would not specially benefit the parcels and business south of Avenue 50. Therefore commercial parcels and businesses south of the southern boundary are not included in the HPPBID.

The HPPBID will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided south of the southern District boundary.

#### **Western Boundary**

The western HPPBID boundary is irregular but includes all commercial parcels and uses along the west side of N. Figueroa Street generally only one parcel deep but inclusive of adjacent commercial parking lots and extended commercial uses. Parcels to the west of the western boundary are either zoned residential and/or parcels with residential uses. These parcels will not specially benefit from the HPPBID programs, improvements and services which are designed to improve commerce and economic vitality of assessed parcels within the HPPBID. Further, the Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, "Properties zoned solely for residential use..... are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment .....". For these reasons, no residentially zoned parcels or residential uses west of the HPPBID western boundary are included in the District. It is also noted that the Gold Line Metro Tracks form a natural boundary in parts along the eastern District Boundary.

The HPPBID will only provide services to the individual assessed parcels within the boundaries; services will not be provided to parcels that are not assessed. No District programs and services will be provided west of the western District boundary.

#### **Boundary Summation**

All identified assessed parcels within the above-described boundaries shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in this Report and in the Management District Plan. All HPPBID funded services, programs and improvements provided within the above described boundaries shall confer special benefit to identified assessed parcels inside the District boundaries and none will be provided outside of the District. Each assessed parcel within the HPPBID will proportionately specially benefit from the District funded



programs and services (i.e. Sidewalk Operations, District Identity and Place Making, Administration and Contingency, Reserve & Uncollected Funds). These services, programs and improvements are intended to improve commerce, employment, occupancy rates and investment viability of assessed parcels and businesses within the HPPBID. The HPPBID confers special benefits on each and every individually assessed parcel by reducing crime, improving aesthetics and marketing goods and services available from individually assessed parcels and the businesses on them within the District, all considered necessary in a competitive properly managed business district. All District funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Los Angeles and are only provided for the special benefit of assessed parcels within the boundaries of the proposed renewed HPPBID.

The District includes 162 parcels identified as assessable within one Benefit Zone and which are listed in the Assessment Roll included as Appendix 1. For further information, a District Boundary Map is included as Appendix 2.

## Section 3

### District Improvement and Activity Plan

#### Process to Establish the Improvement and Activity Plan

Through a series of property owner meetings, the Highland Park Business Improvement District Steering Committee collectively determined the priority for improvements and activities to be delivered by the business improvement district. The primary needs as determined by the property owners were:

- Right of Way programs, includes but is not limited to: Security (Safe), Street Maintenance (Clean) and Beautification, Design Elements and any Right-of-Way consulting, etc.
- District Identity, Organization & Contingency, includes but is not limited to: branding, organization operation, communication, image and contingency.

The cost of providing programs and services may vary depending on the market cost for those programs and services. Expenditures may require adjustment up or down to continue the intended level of programs and services. The Highland Park HPPBID shall have the right to reallocate up to 10% of the budget allocation by line item within the budgeted categories. Any change will be approved by the Highland Park HPPBID board of directors and submitted to the City of Los Angeles within its annual planning report. Pursuant to Section 36650 of the California Streets and Highways Code. The overall budget shall remain consistent with this MDP.

Services and improvements provided by the Highland Park HPPBID are designed to provide special benefits in the form of improving the economic and environmental vitality while preserving and strengthening the historical nature of the District. Highland Park HPPBID programs provide special benefits to assessed parcels with retail, mixed use commercial, parking, restaurant, art, industrial and office each benefit specifically from the District's sidewalk operations and beautification which incorporate the clean and safe programs for assessed parcels.

In order to ensure that parcels outside of the District will not specially benefit from the improvements and services funded with the assessments, improvements and services will only be provided to each individually assessed parcel within the boundaries of the District. Specifically, cleaning personnel, and similar service providers employed in connection with the Highland Park HPPBID will only provide services to each individually assessed parcel within the District and will not provide services outside of District boundaries. Nor will Highland Park HPPBID promotional efforts, which are designed to increase economic activity for businesses within the assessed parcels, promote activities outside of District boundaries.

Special Benefit Definition- Please refer to Engineers Report  
General Benefit Definition Please refer to Engineers Report

The service provider shall allocate the special benefit services based upon the assessments generated in each Benefit Zone. The percentages listed in Table 1.

**TABLE 1  
 PROGRAMS & ACTIVITIES FUNDED (SPECIAL BENEFITS ONLY)**

Program or Activity funded by Highland Park HPPBID	Percent of Budget 2020	Annual Costs 2020
Sidewalk Operations & Beautification	78%	\$ 489,723
District Identity, Organization & Contingency/Reserve	22%	\$ 138,127
<b>Total</b>	<b>100%</b>	<b>\$ 627,850</b>

**SIDEWALK OPERATIONS & BEAUTIFICATION (78%)**

**Safe Program**

Private security will be provided based upon the proportionate amount assessed on parcels within each benefit zone.

Examples of these special benefit services include but are not limited to regular security patrols on foot, etc. These services are over and above those services currently provided by the Los Angeles Police Department.

**Clean Program**

Cleaning services, such as trash pickup and removal from the district; landscape services; and equipment expenses are included in this program. Clean services will be provided to assessed parcels within District boundaries. In order to consistently deal with cleaning issues, a multi-dimensional approach has been developed consisting of the following elements:

- **Sidewalk Cleaning:** Uniformed personnel sweep litter, debris and refuse from sidewalks, along fence lines, the public right of way, and gutters of the District. District personnel may pressure wash the sidewalks. Clean sidewalks support an increase in commerce and provide a special benefit to each individually assessed parcel in the district.
- **Trash Collection:** Collector truck personnel collect trash from sidewalk trash receptacles.
- **Graffiti Removal:** Painters remove graffiti tags by painting, using solvent and pressure washing. The District maintains a zero-tolerance graffiti tag policy.
- **Weed Abatement:** Weeds are removed as they become unsightly or as needed.
- **Landscape Maintenance:** Landscape maintenance is an important program that works to attract increased customers to the district. Landscape maintenance includes maintaining tree wells, planters and weed abatement. A well-landscaped district supports an increase in commerce and provides a special benefit to each individually assessed parcel in the district.
- Parcels that are under construction and/or vacant within the BID will be monitored for maintenance and security problems. For example, a broken security fence allowing access to the site would be reported to the property owner.
- **Paper Sign and Handbill Removal:** Paper signs and handbills scotch taped or glued on public and private property are removed by hand within the BID boundaries. The above services will only be provided to the individual assessed parcels within the BID boundaries and therefore parcels outside of the boundaries will not receive this special benefit.
- **Special Collections:** Collector truck personnel are dispatched to collect large bulky items illegally dumped within the BID boundaries. The above services will only be provided to the individual assessed parcels within the BID boundaries and therefore parcels outside of the boundaries will not receive this special benefit.
- **Maintenance Problems Requiring Third Party Intervention:** Blighted or unsafe conditions created within the District but that are not within the authority/jurisdiction of the BID to address will be monitored. Service requests are made to the responsible party/agency for service. Types of conditions include blocked or damaged sewers or drains, damaged sidewalks/streets/alleys, non-operating streetlights, damaged or missing street signs, etc., within the HPPBID boundaries. The above services will only be provided to the individual assessed parcels within the HPPBID boundaries and therefore parcels outside of the boundaries will not receive special benefit.

## Beautification Program

- **Design, Streetscape Strategies & Consulting:** Design, installation and maintenance of gateway signs; design, installation and maintenance of banner brackets and banner production; design and branding of logo; design, purchase, install and maintain street furniture and streetscape; purchase, installation, removal and maintenance of holiday decoration program. The above services will only be provided to the individual assessed parcels within the HPPBID boundaries and therefore parcels outside of the boundaries will not receive special benefit. Develop strategies for economic development and possible expansion; develop plan of action for the implementation of and strategies for traffic calming and pedestrian safety related to business attraction and retention, and promotion of the area to prospective businesses; seek private and public grant funds to facilitate the work of the HPPBID. The above services will only be provided to the individual assessed parcels within the BID boundaries and therefore parcels outside of the boundaries will not receive special benefit.
- **Special Projects:** Special projects are designed to enhance the assets and the image of the HPPBID, for example the Old LA Certified Farmers Market within the HPPBID boundaries. Special project funds will only be used to specially benefit parcels within the District. The benefit to individual parcels within the District from these services is increased commercial activity and increase in the attraction of pedestrians from transit ridership, which directly relates to increases in lease rates and enhanced commerce. The above services will only be provided to the individual assessed parcels within the BID boundaries and therefore parcels outside of the boundaries will not receive special benefit.

## DISTRICT IDENTITY, ORGANIZATION & CONTINGENCY/RESERVE (22%)

It is important to not only provide the services needed in the District, but to tell the story of improvement in the District. The benefit to property owners from these services is increased commercial activity.

- **District Identity & Communications-** Advertising, Marketing and Promotions strategies such as website maintenance and maintenance, Communications like newsletters, signage, holiday decorations, phones, fax, internet and email & social media marketing will create an environment that provides a unique shopping experience for customers, tenants and employees. The special benefit to assessed parcels from these services is an increased likelihood of lease rates, increased sales, parking revenue and higher tenant occupancy because of an increase in commercial activity, and an overall increase in district activity.
- **Organization-** A professional management staff oversees the HPPBID services, which are delivered seven days per week. Management staff actively works on behalf of the HPPBID to insure City and County services and policies support the District. Included in this line item are management labor, corporate operations, office expenses and organizational expenses such as insurance and the cost to conduct a yearly financial review and tax filing. A well-managed District provides necessary HPPBID program oversight and guidance that produces higher quality and more efficient programs. The special benefit to assessed parcels from these services is an improved lease rates and tenant occupancy because of an increase in commercial activity, an increase in customers and residential serving businesses in part due to the work of the management staff as stated above.
- **Contingency/Reserve/City Costs-** Included in this budget item are City fees, delinquencies, no pays included are costs to renew the BID. Delinquencies- Up to ten percent (10%) of the budget is held in reserve to offset delinquent and/or slow payment from both public and private properties. City Fees- Assessments are budgeted in order to fund the expenses charged by the City of Los Angeles and County of Los Angeles for collection and distribution of HPPBID revenue. These reserves may be carried forward from year to year for a specific purpose or shall be reallocated to the designated budgetary categories found within the MDP.

## City Baseline Services

All of the services provided to assessed parcels within the HPPBID are over and above the city baseline services.



**General Benefit**

As stipulated in Article XIID Section 4(b) of the California Constitution, assessment district programs and activities confer a combination of general and special benefits to properties, but the only program benefits that can be assessed are those that provide special benefit to the assessed properties. For the purposes of this analysis, a “general benefit” is hereby defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.

The property uses within the boundaries of the District that will receive special benefits from District funded programs and services are currently a mix of general commercial, retail, office, entertainment, industrial, parking, residential, education and government facilities. Services, programs and improvements provided and funded by the District (i.e. Sidewalk Operations & Beautification; District Identity, Organization & Contingency) are primarily designed to provide special benefits to identified assessed parcels and the array of land uses within the boundaries of the HPPBID as described in the Special Benefits Details.

**5 Year Operating Budget (Special and General Benefit Costs)**

A projected five-year operating budget for the HPPBID is provided in Table 2. The projections are based upon a 5% maximum annual assessment rate increase: Revenues for specific programs may be reallocated from, year-to-year, among District activities within a 10% range. Budget reallocations above 10% must be approved by the City of Los Angeles. However, the overall budget shall remain consistent with this Management District Plan.

\*Assumes 5% yearly increase on all budget

Note: Any accrued interest or delinquent payments will be expended in the above categories.

**Table 2  
 Projected Budget for 2020-2024**

Projected Budget	% of Budget	2020	2021*	2022*	2023*	2024*
Sidewalk Operations & Beautification	78	\$486,640.00	\$ 514,209	\$539,919	\$566,915	\$595,261
District ID, Organization, Contingency/Reserve	22	\$140,885.47	\$ 145,033	\$152,285	\$159,899	\$167,894
<b>Total Assessment</b>	100	<b>\$627,525.47</b>	<b>\$ 659,242</b>	<b>\$692,204</b>	<b>\$726,814</b>	<b>\$763,155</b>

**Table 3  
 Projected Annual Assessment Schedule**

Assessment Variable	2020	2021*	2022*	2023*	2024*
Lot Size (per square foot)	\$.137	\$.144	\$.151	\$.159	\$.167
Building Size (per square foot)	\$.22	\$.231	\$.243	\$.255	\$.268
Street Frontage (per linear foot)	\$11.95	\$12.55	\$13.18	\$13.84	\$14.53

**Table 4  
 Assessable Benefit Units**

Assessment Variable	Lot sq/ft	Building sq/ft	Frontage by Linear ft
Total	2,151,189	904,811	11,220

**Table 5  
 Amount Generated by Property Variable**

Assessment Variable	2020	2021*	2022*	2023*	2024*
Lot Size (per square foot)	\$294,713	\$309,449	\$324,921	\$ 341,167	\$358,225

<b>Building Size (per square foot)</b>	\$199,058	\$ 209,011	\$ 219,462	\$ 230,435	\$241,957
<b>Street Frontage (per linear foot)</b>	\$134,079	\$140,783	\$147,822	\$155,213	\$162,974
<b>Total</b>	<b>\$627,850</b>	<b>\$659,243</b>	<b>\$692,205</b>	<b>\$726,815</b>	<b>\$763,156</b>

**Implementation Timetable**

The HPPBID is expected to be established and begin implementation of the MDP on January 1, 2020. Pursuant to State Law the HPPBID will have a five-year life beginning January 1, 2020 through December 31, 2024.

**Budget Adjustments**

Any annual budget surplus will be rolled into the following year's District budget. The budget will be set accordingly, within the constraints of the MDP to adjust for surpluses that are carried forward.

**District Rollover**

Any unexpended funds at the end of the current HPPBID will be rolled over into the Highland Park HPPBID. A portion of remaining funding may be used for HPPBID renewal activities. Parcels that were not in the current Highland Park HPPBID but are in the proposed Highland Park HPPBID will not receive any services paid for by rolled over funds.

Parcels that are in the current HPPBID, but are not in the proposed HPPBID will receive a refund if any, unexpended funds that remain after paying all expenses of the current Highland Park HPPBID.

**Cap**

The cost of providing programs and services may vary depending on the market cost for those programs and services. Expenditures may require adjustment up or down to continue the intended level of programs and services. Assessments may be subject to annual increases not to exceed the assessment rates in Table 2 for any given year. Increases will be determined and approved by the North Figueroa Association and will vary between 0% and 5% in any given year. Any change will be submitted to the City within the annual planning report, pursuant to Section 36650 of the California Streets and Highways Code.

**Section 4**

**Assessment Methodology**

The methodology to levy assessments upon real property that benefit from the improvements and activities of the Highland Park Business Improvement District are Street Front Footage, Parcel Square Footage and Building Square Footage as the three assessment variables. See Attachment I, the Assessment Engineers Report, for a complete analysis of the assessment methodology.

**Calculation of Assessments**

As stipulated in Article XIID Section 4(b) of the California Constitution, assessment district programs and activities confer a combination of general and special benefits to properties, but only programs that provide special benefit to parcels can result in its assessment.

No assessment shall be imposed on any parcel, which exceeds the reasonable cost of the proportional special benefits conferred upon that parcel. Only special benefits are assessable and these benefits must be separated from any general benefits.

A general benefit is defined as a benefit to properties in the surrounding community or a benefit to the public in general resulting from improvement, activity or service to be provided by the assessment levied.

### **Linear Street Frontage Defined**

Properties are assessed for all street frontages. Street frontage footage was obtained from the County Assessor's parcel maps and is a direct measure of the static utilization of each parcel and its corresponding impact or draw on HPPBID funded activities, many of which are linear in nature (i.e. Sidewalk Operations).

### **Building Area Square Footage Defined**

Building square footage is defined as gross building square footage as determined by the outside measurements of a building. Building square footage is obtained from the County Assessor's parcel maps. It is relevant to the interim use of a property and is a direct measure of the static utilization of each parcel and its corresponding impact or draw on HPPBID funded activities.

### **Lot Area Square Footage Defined**

Lot square footage is defined as the total amount of area within the borders of the parcel. The borders of a parcel are obtained from the County Assessor parcel maps and is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on HPPBID funded activities.

### **Assessment Calculation Formula**

Please refer to Engineers Report

### **Maximum Annual Assessment Adjustments**

Assessment annual increases cannot exceed 5% per year. Increases will be determined and approved by the Owners' Association and will vary between zero and 5% in any fiscal year. The cost of providing programs and services may vary depending on the market cost for those programs and services. Expenditures may require adjustment up or down to continue the intended level of programs and services.

The District shall adhere to the budget and Management District Plan. While some variation is permissible to account for unexpected circumstance, the funding allocated to each funding category expressed as a percentage in the Management District Plan. Any proposed variation that exceeds 10% of total budget shall be subject to review and approval of the City of Los Angeles City Clerk office, pursuant to Section 36650 of the California Streets and Highways Code. The overall budget shall remain consistent with this MDP.

### **Total Assessable Footage**

There are no benefit zones or sub-districts within the proposed district. Properties or portions of properties used for residential purposes shall be exempt from being assessed until such time that the property use is converted to commercial/retail or other non-residential usage. All private, public and non-profit properties, excepting residential, shall be assessed.

### **Future Development**

As a result of continued development, the District may experience the addition or subtraction of assessable commercial footage for parcels included and assessed within the District boundaries. The modification of parcel improvements assessed within the District may then change upwards or downwards the amount of total footage assessment for these parcels. In future years, the assessments for the special benefits bestowed upon the included BID parcels may change in accordance with the assessment methodology formula listed in the Management District Plan and Engineer's Report provided the assessment rate does not change. If the assessment formula changes, then a Proposition 218 ballot will be required for approval of the formula changes. Pursuant to Government Code section 53750.

### **Time and Manner for 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 may direct bill the first year's assessment for all property owners and will direct bill any property 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 any fiscal year of operation and then by the County for subsequent years. Any delinquent assessments owed for a year for which the City billed will be added to the County property tax roll for the following year. The "property 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.

**Public Agency Assessments**

The City of Los Angeles is a major property owner in the District. The City parcels will derive special benefits from the peripheral cleaning of City parking lots, which may attract more visitors and pedestrian traffic, and, in turn, generate additional parking revenue for the City. The additional parking usage and revenues may also yield greater sales tax revenues and provide greater economic prosperity for the City. In addition, HPPBID programs and services will supplement the current base level of services that exists in and around the City parcels to ensure a system of cleanliness and order around many of these vacant or underutilized City owned parcels. The HPPBID will convey a cleaner, more attractive and inviting environment, which will enhance the parking experience to visitors to the District shopping areas.

Each publicly owned parcel within the District will proportionately benefit from the District funded supplemental sidewalk operations (clean and safe) and beautification, district identity (newsletter and website) and organization (management). Each of these parcels specially benefit from District funded programs and services from cleaner and safer entrances and perimeters. In addition, the District funded marketing and district identity programs benefit publicly owned parcels by announcing public events and activities held at these public facilities and apprise employees of important District news, security issues and alerts and crime statistics. These services and programs are designed to improve the safety and cleanliness and usability of each publicly owned assessed parcel and facility within the District by reducing crime, litter and debris, all considered detractors to employment, visitation and use of public facilities.

APN	Public Agency Owner	Site Address	Use	2020 Assessment	% of Total
5468-025-900	L A CITY		Parking Lot	\$1,815.25	0.289%
5468-025-901	L A CITY		Parking Lot	\$586.36	0.093%
5468-032-901	L A CITY		Parking Lot	\$1,938.55	0.309%
5468-032-902	L A CITY	115 S AVE 56	Community Garden	\$1,438.50	0.229%
5468-032-903	L A CITY		Community Garden	\$569.92	0.091%
5468-033-900	L A CITY	119 N AVE 56	Parking Lot	\$1,395.76	0.222%
5468-033-901	L A CITY		Parking Lot	\$1,395.76	0.222%
5468-033-902	L A CITY	117 N AVE 56	Parking Lot	\$630.20	0.100%
5468-033-903	L A CITY		Parking Lot	\$1,356.30	0.216%
5468-033-905	L A CITY	5601 N FIGUEROA ST	Office	\$3,901.80	0.621%
5492-001-900	L A CITY	5712 MARMION WAY	Parking Lot	\$2,996.88	0.477%
5492-001-901	L A CITY		Parking Lot	\$1,027.50	0.164%
5492-001-902	L A CITY		Parking Lot	\$1,284.38	0.205%
5492-002-900	L A CITY		Parking Lot	\$1,246.70	0.199%
5492-002-901	L A CITY		Parking Lot	\$163.03	0.026%
5492-011-900	L A CITY	117 S AVE 58	Parking Lot	\$959.00	0.153%
5492-011-901	L A CITY	113 S AVE 58	Parking Lot	\$959.00	0.153%
5492-012-900	L A CITY	5826 MARMION WAY	Parking Lot	\$1,849.50	0.295%
5492-013-900	L A CITY	5921 N FIGUEROA ST	LA City Fire Dept	\$4,595.00	0.732%
5492-024-900	L A CITY	6000 N FIGUEROA ST	Office	\$8,857.80	1.411%

Attachment B - Highland Park BID Renewal Documents  
**Highland Park Business Improvement District**

5492-025-900	L A CITY		LA City Playground	\$43,494.01	6.927%
5492-025-901	L A CITY	6145 N FIGUEROA ST	LA City Library	\$9,095.49	1.449%
5492-034-900	L A CITY		Triangle Park	\$1,115.10	0.178%
5492-034-901	L A CITY	6152 N FIGUEROA ST	Senior Citizen Center	\$17,442.67	2.778%
5492-034-902	L A CITY		Senior Citizen Center	\$13,017.87	2.073%
SUBTOTAL LA CITY				\$123,132.33	19.612%
5492-025-902	LACMTA		Transit Corridor	\$1,672.20	0.266%
SUBTOTAL LACMTA				\$1,672.20	0.266%
<b>GRAND TOTAL PUBLIC AGENCIES</b>				<b>\$124,804.53</b>	<b>19.878%</b>

**Residential Assessments**

In accordance with Section 36632 (c) of the California Streets and Highways Code, properties zoned solely for single family residential or agricultural use are conclusively presumed not to receive special benefit from the improvements and service funded through the assessments of the District and are not subject to any assessment pursuant to Section 36632 (c). Therefore, properties zoned solely for residential or agricultural use within the boundaries of the District, if any, will not be assessed.

**Section 5**

**District Rules and Regulations**

Pursuant to the Property and Business Improvement law of 1994, as amended, a business improvement district may establish rules and regulations that uniquely apply to the District. The District has adopted the following rules:  
**Competitive Procurement Process**

The Owner's Association shall develop a policy for competitive bidding when purchasing substantial amounts of services, products and/or equipment. The policy will aim to maximize service, quality, efficiency and cost effectiveness.

**Renewal**

District funds may be used for renewing the district.

**Bonds**

The District will not issue any bonds to finance any services or improvements in the district.

**District Formation**

District formation requires submission of petitions from property owners representing over 50% of the total weighted assessments. Once the petitions have been submitted to the City Clerk's office, the Los Angeles City Council will adopt an Ordinance of Intention to establish the district and mail out ballots to all affected property owners. The district is formed if the weighted majority of returned ballots support the district formation.

**Duration**

The HPPBID shall have a five-year term, which shall commence on January 1, 2020 and expire on December 31, 2024.

**Governance**

The Owners' Association, as defined by Ordinance No. 173167 amending Los Administrative Code Chapter 9, Sections 6.600 to 6.620 will review the District Budget and policies annually within the limitations of the MDP as

defined in Section 6.616 of Chapter 9 of the Administrative Code. Annual and quarterly reports will be filed with the City Clerk's office.

The Owners' Association may contract with the City of Los Angeles to implement the improvements and activities and oversee the day-to-day implementation of the MDP as well as submit recommendations to the City on issues including the annual budget and work plan.

**Disestablishment**

California State Law Section 36670 provides for the disestablishment of a District. Upon the termination of this District any remaining revenues shall be transferred to the renewed District, if one is established, pursuant to Streets and Highways Code Section 36660 (b). If disestablished, unexpended funds will be returned to property owners based upon each parcel percentage contribution.

**Appendix A**

**Property Owner Parcel Information**

APN	2020 Assessment	% of Total
5468003004	\$643.50	0.102%
5468003005	\$624.36	0.099%
5468003007	\$2,151.63	0.343%
5468003008	\$2,209.95	0.352%
5468003020	\$5,162.66	0.822%
5468003021	\$2,020.72	0.322%
5468004006	\$5,412.46	0.862%
5468004009	\$4,875.68	0.777%
5468004022	\$8,917.00	1.420%
5468005032	\$3,080.70	0.491%
5468005042	\$4,622.30	0.736%
5468005044	\$7,071.27	1.126%
5468005045	\$38,237.03	6.090%
5468014001	\$1,758.35	0.280%
5468014002	\$1,689.58	0.269%
5468014003	\$2,659.78	0.424%
5468014028	\$9,058.49	1.443%
5468015001	\$2,990.09	0.476%
5468015002	\$2,653.97	0.423%
5468015003	\$2,465.43	0.393%
5468015015	\$1,712.59	0.273%
5468015016	\$3,421.46	0.545%
5468015033	\$2,275.26	0.362%
5468016001	\$6,397.56	1.019%
5468016002	\$1,787.50	0.285%
5468016040	\$2,706.91	0.431%
5468016044	\$3,713.54	0.591%
5468017001	\$1,654.20	0.263%
5468017023	\$2,548.47	0.406%
5468017024	\$2,058.55	0.328%
5468017025	\$1,782.57	0.284%
5468017027	\$2,030.10	0.323%

5468017028	\$712.80	0.114%
5468017031	\$2,543.94	0.405%
5468020002	\$2,229.70	0.355%
5468020003	\$2,362.35	0.376%
5468020013	\$2,976.40	0.474%
5468020014	\$2,020.94	0.322%
5468020015	\$6,435.55	1.025%
5468020025	\$4,333.26	0.690%
5468021014	\$2,586.62	0.412%
5468021024	\$2,107.23	0.336%
5468021025	\$6,118.26	0.974%
5468021030	\$5,684.11	0.905%
5468021031	\$20,569.13	3.276%
5468024006	\$892.54	0.142%
5468024007	\$5,593.85	0.891%
5468024008	\$7,468.68	1.190%
5468024009	\$4,076.80	0.649%
5468024010	\$6,134.40	0.977%
5468025001	\$3,056.63	0.487%
5468025002	\$988.30	0.157%
5468025003	\$3,506.78	0.559%
5468025004	\$1,290.06	0.205%
5468025005	\$1,770.37	0.282%
5468025016	\$3,195.43	0.509%
5468025017	\$586.36	0.093%
5468025027	\$1,846.47	0.294%
5468025900	\$1,815.25	0.289%
5468025901	\$586.36	0.093%
5468026001	\$1,942.39	0.309%
5468026012	\$5,119.69	0.815%
5468026021	\$1,688.28	0.269%
5468026023	\$2,813.67	0.448%
5468026030	\$7,730.79	1.231%
5468032001	\$8,018.12	1.277%



Attachment B - Highland Park BID Renewal Documents  
 Highland Park Business Improvement District

5468032014	\$3,039.99	0.484%
5468032015	\$2,159.58	0.344%
5468032016	\$2,291.99	0.365%
5468032017	\$2,831.24	0.451%
5468032018	\$5,024.11	0.800%
5468032901	\$1,938.55	0.309%
5468032902	\$1,438.50	0.229%
5468032903	\$569.92	0.091%
5468033015	\$830.72	0.132%
5468033017	\$1,906.00	0.304%
5468033018	\$1,420.87	0.226%
5468033019	\$5,469.66	0.871%
5468033020	\$3,763.44	0.599%
5468033021	\$4,379.00	0.697%
5468033023	\$3,399.50	0.541%
5468033900	\$1,395.76	0.222%
5468033901	\$1,395.76	0.222%
5468033902	\$630.20	0.100%
5468033903	\$1,356.30	0.216%
5468033905	\$3,901.80	0.621%
5484032002	\$2,245.12	0.358%
5484032003	\$3,455.68	0.550%
5484032004	\$2,120.00	0.338%
5484032005	\$2,351.88	0.375%
5484032006	\$360.80	0.057%
5484032007	\$319.44	0.051%
5484032010	\$650.00	0.104%
5484032011	\$467.28	0.074%
5484032012	\$320.54	0.051%
5484032021	\$564.08	0.090%
5484032022	\$1,766.88	0.281%
5492001007	\$856.25	0.136%
5492001012	\$2,725.00	0.434%
5492001013	\$2,615.00	0.417%
5492001014	\$1,302.00	0.207%
5492001015	\$3,275.00	0.522%
5492001016	\$3,165.00	0.504%
5492001017	\$2,786.60	0.444%
5492001018	\$1,931.20	0.308%
5492001900	\$2,996.88	0.477%
5492001901	\$1,027.50	0.164%
5492001902	\$1,284.38	0.205%
5492002008	\$86.53	0.014%
5492002013	\$68.50	0.011%
5492002025	\$5,048.18	0.804%
5492002026	\$3,060.18	0.487%
5492002027	\$927.18	0.148%
5492002028	\$690.48	0.110%
5492002029	\$2,036.30	0.324%

5492002900	\$1,246.70	0.199%
5492002901	\$163.03	0.026%
5492011002	\$1,941.20	0.309%
5492011019	\$3,078.54	0.490%
5492011020	\$2,340.00	0.373%
5492011021	\$2,370.58	0.378%
5492011024	\$3,432.37	0.547%
5492011900	\$959.00	0.153%
5492011901	\$959.00	0.153%
5492012021	\$13,615.34	2.169%
5492012025	\$17,988.25	2.865%
5492012900	\$1,849.50	0.295%
5492013020	\$3,239.30	0.516%
5492013021	\$2,196.06	0.350%
5492013022	\$2,322.40	0.370%
5492013023	\$2,729.62	0.435%
5492013024	\$2,355.40	0.375%
5492013900	\$4,595.00	0.732%
5492014017	\$7,485.66	1.192%
5492014019	\$9,080.69	1.446%
5492014020	\$3,865.55	0.616%
5492015002	\$1,611.30	0.257%
5492015003	\$2,407.32	0.383%
5492015004	\$2,780.00	0.443%
5492015005	\$2,416.12	0.385%
5492015006	\$1,135.50	0.181%
5492015009	\$2,835.00	0.452%
5492015010	\$7,315.38	1.165%
5492015027	\$7,809.04	1.244%
5492015028	\$4,028.50	0.642%
5492024004	\$5,243.66	0.835%
5492024014	\$5,926.20	0.944%
5492024015	\$8,984.68	1.431%
5492024900	\$8,857.80	1.411%
5492025001	\$806.52	0.128%
5492025900	\$43,494.01	6.927%
5492025901	\$9,095.49	1.449%
5492025902	\$1,672.20	0.266%
5492026005	\$2,275.87	0.362%
5492026007	\$2,586.47	0.412%
5492026022	\$1,657.33	0.264%
5492026024	\$2,485.99	0.396%
5492026025	\$6,537.94	1.041%
5492026027	\$5,657.34	0.901%
5492034900	\$1,115.10	0.178%
5492034901	\$17,442.67	2.778%
5492034902	\$13,017.87	2.073%
<b>Total</b>	<b>\$627,850.31</b>	<b>100%</b>



# **Appendix B**

## **Map of Highland Park PBID**







**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

**REVISED**  
**FINANCE, BUDGET AND AUDIT COMMITTEE**  
**MAY 14, 2014**

**SUBJECT: GUIDELINES ON LACMTA'S PARTICIPATION IN PROPOSED  
BENEFIT ASSESSMENT DISTRICTS (BID)**

**ACTION: DELEGATION OF AUTHORITY**

**RECOMMENDATION**

Delegate authority to the Chief Executive Officer to determine the Los Angeles County Metropolitan Transportation Authority's ("LACMTA") participation in Benefit Assessment District where the total assessment over the term of the BID does not exceed \$500,000, **and where the action represents a renewal of a BID previously approved by the Board.**

**BACKGROUND**

The MTA Board adopted Guidelines on LACMTA Participation in Proposed Assessment Districts ("Guidelines") in June 1998 (See Attachment A). The Guidelines require staff to analyze each assessment district and/or improvement based on whether they improve MTA property or facility, benefit MTA employees, benefit Metro's passengers, or reduce costs for the agency. Staff is to provide the Board with an analysis, on a case by case basis, that determines whether MTA property benefits from the proposed services or improvements; and whether the benefit to the property exceeds the cost of the assessment. Based on the guidelines, the Board must determine whether or not to participate in the proposed district.

**DISCUSSION**

The existing policy specifically requires that staff analyze each new assessment district's services and provide the MTA Board with an analysis, on a case by case basis. Many of the BIDS are at levels that are significantly below the current delegated authority of the Chief Executive Officer of \$500,000. In addition, the analysis of the benefit to LACMTA is routine and warrants the agency's participation. **Staff would prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval.** In any case where the total assessment **for a BID's renewal** exceeds \$500,000 over the term of the BID, the



analysis will be completed and submitted to the Board for approval. **Any participation in a newly proposed BID will be subject to Board approval.** ~~Staff would still prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval.~~

### **DETERMINATION OF SAFETY IMPACT**

The Board action will not have an impact on safety standards for Metro. However, generally a BID's safety program will increase safety and crime prevention in the area around LACMTA owned properties.

### **FINANCIAL IMPACT**

LACMTA currently participate in 40 ~~40~~ **41** BIDs and street lighting districts. The annual budget as of FY14 is approximately \$517,000.00. Funding to participate in the established BIDs is included in Cost Center 0651, Account No. 50799 (Taxes). Funds are budgeted for each fiscal year. **Funding for the BIDS are allocated from the revenue generated from the General Fund - Right of Way Lease Revenue.**

### **ALTERNATIVES CONSIDERED**

The Board could not approve this recommendation to delegate authority to the Chief Executive Officer and staff would continue to bring **BID renewals** ~~these requests~~ to the Board for approval. The efficiency and the time involved in agendaizing the request on the Board's agenda is often constrained by the timeline established by the BID to obtain MTA's approval. In those cases, MTA would not **be able to sign** the petition circulated to property owners affected by the BID **for renewals.**

### **ATTACHMENTS**

Attachment A Guidelines on MTA Participation in Proposed Assessment District dated June 18, 1998

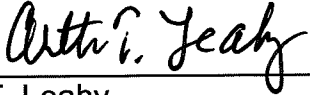
Prepared by: Velma C. Marshall, Deputy Executive Officer – Real Estate  
(213) 922-2415

Calvin E. Hollis, Managing Executive Officer- Countywide Planning  
and Development  
(213) 922-7319



---

Martha Welborne, FAIA  
Chief Planning Officer



---

Arthur T. Leahy  
Chief Executive Officer

**ATTACHMENT A**

**ATTACHMENT 1**



**GENERAL GUIDELINES  
for MTA Participation in Proposed Assessment Districts**

**1. MTA Participation in Assessment Districts**

Assessment districts can provide a wide variety of services and improvements. However, the MTA must decide individually whether or not specific MTA property benefits from such services and improvements. Such determination shall be dependent upon:

- the use of MTA property, and
- the services or improvements provided by the assessment district.

**2. Evaluation Criteria**

The following criteria shall be used to evaluate whether or not an assessment district services and/or improvements will benefit MTA is the extent that the services or improvements specifically:

- improve MTA property or facilities,
- benefit MTA employees,
- benefit the MTA riding public, or
- reduce costs for the MTA.

**3. Determination of Benefit**

Each proposed assessment district containing MTA property will be analyzed on a case-by-case basis; however, general guidelines for determining benefit to MTA properties are as outlined in the following:

**TIER 1 - NO BENEFIT**

- Subsurface easements
- Aerial easements
- Rights of Way

**TIER 2 - MINOR OR NO POTENTIAL BENEFIT**

- Vacant Land
- Parking Lots

- **Bus Layovers**

**TIER 3 - MINOR OR SOME POTENTIAL BENEFIT**

- **Bus Divisions**
- **Bus Terminals**
- **Customer Service Centers**
- **USG Headquarters Building**
- **Maintenance Facilities**
- **Rail Division**
- **Rail Terminus**
- **Stations**

**TIER 4 - ACTUAL BENEFIT**

- **Joint Development Projects**

[cfo\\_proposalcost-optimization-finder-policy.doc](#)