

## 2013 Planning Report Sunset & Vine Business Improvement District

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The following report is prepared, in accordance with the requirements of Section 36650 of the Streets & Highways Code and serves as the Work Plan for the coming year for the Sunset & Vine Business Improvement District.

### 1. Boundaries and Zones

There have been no changes to the boundaries or the special benefit zones in the SVBID, as laid out in the Management Plan and Engineer's Report, adopted by the Los Angeles City Council on September 14, 2011.

### 2. Detailed budget

The following budget allocations were approved by the board of directors for the Central Hollywood Coalition at their November 13, 2012 meeting.

2013	Zone 1	Zone 2	Zone 3	Total
Maintenance & Beautification	254,637	50,065	123,413	428,115
Security	565,325	84,217	145,529	795,071
Marketing & Consulting	31,309	6,020	8,540	45,869
Administration, Legal, Accounting	123,152	20,256	40,070	183,478
Fees & Reserves	51,314	8,440	16,696	76,450
<b>Total</b>	<b>1,025,737</b>	<b>168,998</b>	<b>334,248</b>	<b>1,528,983</b>

Please refer to Attachment A for detailed projected cash flow statement and Attachment B for a detailed budget plan for the year as compared to the budget in the Management District Plan.

A. Summary 2013 Operating Budget Gross Assessment Billings = \$1,458,268.

The CHC Board of Directors approved a 2% CPI adjustment at their June 12, 2012 meeting.

(1) The revenue budget is further adjusted by the following factors:

(a) the anticipated cash roll-over from 2012 is estimated at \$70,714

(b) modest interest revenue of \$1,090

(c) interest revenue received from the county and city of \$2,000. This will leave \$1,532,072 available for the operating budget for 2013

B. Security Program – \$795,071 or 52% of the budget

The security program funds three services: (1) security patrols, (2) one video surveillance camera, and (3) incident tracking software. The security vendor is Andrews International Security. The security contract, which is currently shared with the neighboring Hollywood Entertainment District BID, is currently undergoing a competitive bidding process. A new contract will be negotiated for 2013. These details have not been fleshed out yet, as the competitive bidding process is still in progress.

However, based upon past service, it is estimated that the following will be provided:

- Average patrol of 200 hours per week, which accommodates four officers a day (two foot beats) Monday through Friday.
- On Saturday, three officers (one two-man foot beat, and the second officer paired with a Hollywood Entertainment District officer) will patrol the district.
- On Sunday, two officers will patrol the district.
- The deployment schedule is always subject to change at the discretion of the Security Committee.

The security headquarters and related office space is now housed at the LAPD sub-station at Hollywood & Highland. This space is donated by Hollywood & Highland. As a result of the program management contract that the CHC has negotiated with the Hollywood Property Owners Alliance, (HPOA) all security supervision and administrative costs are currently shared 66% HED and 34% SVBID. Please note: this breakdown is subject to change once the new contract is negotiated with the new security vendor for 2013.

A portion of the security budget is also earmarked for the maintenance of one video surveillance camera, donated to the Los Angeles Police Department for their exclusive use. Currently, the Sunset & Vine video surveillance camera is located at the intersection of Cahuenga & Sunset. A \$400/month maintenance agreement (approximate) will be levied to keep the camera functioning. The camera vendor is Metro Video Systems in El Segundo. Funds can also be allocated, at the discretion of the Security Committee, with Board approval, to organizations involved with outreach and service to homeless individuals in the District. Finally, the BID contracts with SFW LLC to maintain mapping software that tracks security (arrest) and graffiti incidents.

Security Committee meetings are held in conjunction with the Hollywood Entertainment District, and the full range of public safety issues are addressed, including illegal vending, homelessness and loitering, public urination, drinking in public, vandalism and graffiti, and quality of life issues.

C. Maintenance and Beautification – *\$428,115 or 28% of the budget*

Maintenance - *\$395,915 or 25.8% of the budget*

The maintenance program involves a contract with the District's maintenance vendor, Cleanstreet. Services and priorities are guided by the board and the Streetscape Committee, which awarded a contract to Cleanstreet after a competitive bidding process in 2008. The

contract, which amounts to \$369,576, is due to expire on December 31, 2013 and will be bid out this summer.

Core maintenance services include the following:

- Daily street and gutter sweeping in all zones
- Sidewalk pressure washing: Zone 1 - one time per month; Zone 2 - one time every six weeks; Zone 3 - one time every other month
- Trash removal twice daily from approximately 40 receptacles in the BID
- Waste removal from three 3-cubic yard dumpsters, emptied three days per week
- Graffiti removal within 72 hours of a report
- Sidewalk and gutter sweeping by one daily day porter working one 8-hour shift
- Periodic furniture washing and touch-up painting on street furniture and light poles
- Limited star polishing on one block of Walk of Fame that falls within SVBID (on Vine from Selma to Sunset)
- Oversight of all maintenance duties by one full-time supervisor

Beautification - *\$32,200 or 2.1% of budget*

This budget item is earmarked for capital streetscape expenditures, landscape and matching fund requirements associated with a CRA-administered urban design plan (funded through MTA Call for Projects grants). With the demise of the CRA earlier this year, it is unclear exactly when those funds will be released, however, it is anticipated that the funds will accrue to the community once project oversight decisions have been made by the State. These funds will accumulate in order to be invested in an appropriate project during the lifespan of the BID.

D. Marketing and Consulting - *\$45,869 or 3.0% of the budget*

This budget item will support activities associated with marketing and promoting the overall district.

Program specifics include the following:

- The production and distribution of a quarterly newsletter to all stakeholders
- The graphic design and printing of special promotional materials
- The creation of press kits and the distribution of electronic news releases
- The production of the second annual "Sunset & Dine" in the spring of 2013, which will involve promotional materials, venue logistics, insurance and related event production expenses
- The hosting, maintenance and enhancement of the Sunset & Vine BID's website [www.sunsetandvinebid.org](http://www.sunsetandvinebid.org)

If available, marketing funds also may be used towards partnering with other community events, activities or collateral that aim to promote the Sunset & Vine BID as a whole. Examples include sponsorship fees for area festivals, logo plaques for trash receptacles and promotion of streetscape projects.

E. Administration/Legal/Accounting - *\$183,478 or 12% of the budget*

This area of the budget is primarily earmarked for a professional services agreement between the Central Hollywood Coalition and the Hollywood Property Owners Alliance. CHC will pay HPOA \$12,500 a month in 2013 to provide the following services: (a) meeting coordination (monthly board meetings, committees and annual property owner meetings); (b) stakeholder relations; (c) communications and marketing; (d) website maintenance and updates; (e) media relations; (f) supervision of security and maintenance vendors; (g) community relationship building (e.g., LAPD, city staff, council office); (h) homeless coalition issues; (i) database management; and (j) BID contract compliance requirements (e.g., quarterly reports, annual reports).

Additionally, \$3,200 is earmarked for technical consulting with Willdan Financial Services to provide quarterly updates to SVBID parcel database, and to present annual changes to assessment roll. Additional expenses are anticipated for liability insurance; tax preparation; and legal consultation.

**F. Contingency - \$16,819 or 1.1% of the budget**

The contingency budget is earmarked to either accommodate a higher than budgeted delinquency rate, or to supplement services during the year at the discretion of the board.

**G. City fees - \$29,051 or 1.9% of budget**

The city fees are earmarked just below two percent of the annual assessment revenue budget, as stipulated in the contract between the Central Hollywood Coalition and the city of Los Angeles.

**H. Delinquency - \$30,580 or 2.0%**

The delinquency allowance has been decreased slightly based on the payment history.

**3. Revenues carried from the previous year**

The operating budget is predicated upon a carry-over \$70,714 from 2012, as shown on Attachment A.

**4. Assessments levied upon parcels**

A detailed list of all assessments as applied to each parcel for the 2012/13 tax year is attached as Attachment C.