

## 2015 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, which is managed by the Central Hollywood Coalition, a private non-profit organization.

### I. 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.

### II. Detailed budget

The following budget allocations were approved by the board of directors for the Central Hollywood Coalition at their November 11, 2014 meeting.

Program	2015 Budget		Management Plan	
<i>Maintenance, Streetscape &amp; Beautification</i>	465,743	29%	398,378	28%
<i>Safety &amp; Security Services</i>	800,000	49%	756,683	52%
<i>Marketing &amp; Consulting</i>	40,000	2%	37,710	3%
<i>District Management, Policy &amp; Administration</i>	198,000	12%	175,548	12%
<i>Contingency, City Fees, Reserve for Non-Pay</i>	120,722	7%	75,531	5%
	<b>1,624,465</b>	100%	<b>1,443,850</b>	100%

Please refer to Appendix A for a detailed analysis of revenue and expenditures.

A. Summary 2015 Operating Budget Gross Assessment Billings amount to \$1,511,655.

The CHC Board of Directors approved a 1% CPI adjustment on May 13, 2014

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

- (a) An anticipated cash roll-over from 2014 is estimated at \$109,910;
- (b) Modest interest revenue of \$400 from the bank;
- (c) Interest revenue received from the county and city of \$2,500;
- (d) \$1,624,465 available for the operating budget for 2015

B. Maintenance, Streetscape and Beautification – \$465,743 or 29% of the budget

1. Maintenance - \$380,000

The maintenance program primarily involves oversight of the District's maintenance vendor, Cleanstreet. The services and priorities of the maintenance contract are guided by the Management District Plan, the Streetscape Committee and the Board. The contract, which is shared with the neighboring Hollywood Entertainment District BID, was competitively bid in January of last year. A new contract was negotiated with Clean Street in April, 2014 and services commenced in May.

The following services are incorporated within the scope of the agreement:

- Daily street and gutter sweeping in all zones 7 days a week
- 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
- 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

2. Beautification - \$85,743

This budget item is earmarked for capital improvements, landscape projects and matching fund requirements for beautification grants. This year the board plans to use a portion of these funds to replant approximately 50 Jacaranda trees along Vine Streets that were vandalized last Spring. In addition, the Streetscape and Planning Committee is in the preliminary stages of planning a Mobility Summit in the first quarter of the year, which may potentially lead to a variety of streetscape projects.

C. Safety & Security Services – \$800,000 or 49% of the budget

Members of the Sunset & Vine Security Committee meet in conjunction with the Hollywood Entertainment District on a monthly basis to discuss a full range of public safety issues, such as illegal vending, homelessness and loitering, public urination, drinking in public, vandalism and graffiti, and quality of life issues.

In addition to addressing specific incidents and trends, the committee oversees the following programs: (1) security patrols; (2) one public safety camera; (3) incident tracking software; and (4) homeless outreach.

1. Security patrol: Security services are provided to the district by Andrews International Security. After an extensive RFP process in 2012, Andrews International was awarded a five year contract to continue servicing the BID. The new contract provides the following level of service:
  - Average patrol of 224 hours per week, by officers and sergeants, Monday through Saturday. An additional 40 hours per week are attributed to management staff.
  - On Sunday, two officers 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 are housed at the LAPD sub-station at Hollywood & Highland, which is donated by the owners of the complex. As a result of the 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.

2. Public Safety Camera: A portion of the security budget is 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 will be levied to keep the camera functioning.
3. Incident Tracking Software: The BID contracts with Accendo FM to maintain mapping software that tracks security (arrest) and graffiti incidents.
4. Homeless Outreach Services: A portion of the security budget may 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.

D. Marketing and Consulting - *\$40,000 or 2% 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 fourth annual "Sunset & Dine" in the Fall of 2015, 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.onlyinhollywood.org](http://www.onlyinhollywood.org);
- Social media outreach through Only in Hollywood's various platforms on Facebook, Twitter, Tumblr, Instagram, and various other sites.

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, pole banners and promotion of streetscape projects.

E. District Management, Policy & Administration - *\$198,000 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 \$13,083 a month in 2014 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, a portion of the budget 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, City Fees & Reserve for Non-Pay - \$120,722 or 7% of the budget

1. Contingency - \$16,000

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.

2. City fees - \$28,722

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.

3. Delinquency - \$76,000

The delinquency allowance is based on payment history.

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

The operating budget is predicated upon a carry-over of \$109,910 from 2014, as shown on Appendix A.

**IV. Assessment Rates**

The method and basis for levying the 2015 assessment remains the same as listed in the Management District Plan. Annual assessments are based upon an allocation of program costs and three (3) zones of benefit with differing rates depending on the type and frequency of special benefit services provided.

Assessments are composed of a calculation of assessable street front footage (approximately 50%), building area (approximately 25%) and land area (approximately 25%). The assessment rates for the 2015 tax year area are as follows:

Variable	Zone 1	Zone 2	Zone 3
Front Footage	21.86	14.02	11.29
Lot Area	.08	.07	.04
Building Size	.06	.06	.04

**V. Surplus Revenues**

At the end of 2014, the District anticipates having approximately \$109,910 of surplus revenue that will be rolled over into the 2015 budget. The CHC Board of Directors were informed of the approximate rollover amount on November 11, 2014.

**VI. Anticipated Deficit Revenues**

No deficit revenue is anticipated to carry over to 2015.