

## 2014 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.

### 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 12, 2013 meeting.

Program	2014 Budget		Management Plan	
<i>Maintenance, Streetscape &amp; Beautification</i>	491,977	31%	398,378	28%
<i>Safety &amp; Security Services</i>	801,000	50%	756,683	52%
<i>Marketing &amp; Consulting</i>	15,000	1%	37,710	3%
<i>District Management, Policy &amp; Administration</i>	179,500	11%	175,548	12%
<i>Contingency, City Fees, Reserve for Non-Pay</i>	119,696	7%	75,531	5%
	<b>1,607,173</b>	<b>100%</b>	<b>1,443,850</b>	<b>100%</b>

Please refer to Attachment A for a detailed analysis of revenue and expenditures by zone.

#### A. Summary 2013 Operating Budget Gross Assessment Billings = \$1,495,668

The CHC Board of Directors approved a 1% CPI adjustment at their May, 14 2013 meeting.

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

- (a) the anticipated cash roll-over from 2013 is estimated at \$108,405
- (b) modest interest revenue of \$600 from the bank
- (c) interest revenue received from the county and city of \$2,500
- (d) \$1,607,173 available for the operating budget for 2014

#### B. Maintenance and Beautification – \$491,977 or 31% of the budget

- 1. Maintenance - \$391,955

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, is currently being bid out in a Request for Proposal. A new contract will be negotiated in December, 2013.

The exact scope of the agreement will be determined in the coming weeks, after the competitive bid process is complete. However, based on past service, it is estimated that the following services will be provided:

- 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

2. Beautification - \$100,022

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 plant and maintain approximately 55 trees within the district and start preliminary plans for installing a median along Vine Street.

C. Safety & Security Services – \$801,000 or 50% 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 200 hours per week, which accommodates four officers a day (two foot beats), Monday through Saturday.
  - 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.

Currently, the CHC's Security Committee is looking at potentially upgrading the camera system in conjunction with the Hollywood Entertainment District, to provide the LAPD with an up to date surveillance system.

3. Incident Tracking Software: The BID contracts with Accendo FM to maintain mapping software that tracks security (arrest) and graffiti incidents.

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 - *\$15,000 or 1% 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 third annual "Sunset & Dine" in the spring of 2014, 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);
- Social media outreach through Hollywood HQ'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 and promotion of streetscape projects.

E. District Management, Policy & Administration - *\$179,500 or 11% 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, 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 - \$119,696 or 7% of the budget

1. Contingency - \$15,000

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 - \$29,913

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 - \$74,783

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 \$108,405 from 2013, as shown on Attachment A.

IV. Assessment Rates

The assessment rates for the 2013/14 tax year are the following:

Variable	Zone 1	Zone 2	Zone 3
Front Footage	21.6388	13.8823	11.1818
Lot Area	0.0818	0.0704	0.0402
Building Size	0.0641	0.0607	0.0351

V. Assessments levied upon parcels

A detailed list of all assessments as applied to each parcel for the 2013/14 tax year is attached as Attachment B.

Appendix A  
2014 Revenues Expenditures by Zone

2014 ESTIMATED REVENUE	Zone 1	Zone 2	Zone 3	Total
2014 Assessment Revenue	1,003,542	163,471	328,654	1,495,668
Interest Income from Bank	403	66	132	600
Interest Income from County & City	1,677	273	549	2,500
Roll-over from 2013	72,736	11,848	23,820	108,405
	<b>1,078,358</b>	<b>175,658</b>	<b>353,156</b>	<b>1,607,173</b>
2014 ESTIMATED EXPENSES (Detail)	Zone 1	Zone 2	Zone 3	Total
<i>Maintenance, Streetscape &amp; Beautification</i>				
Maintenance	234,490	45,443	112,021	391,955
Beautification	59,839	11,597	28,586	100,022
				<b>491,977</b>
<i>Safety &amp; Security Services</i>				
Security	571,974	83,953	145,073	801,000
				<b>801,000</b>
<i>Marketing &amp; Consulting</i>				
Marketing	10,286	1,949	2,765	15,000
				<b>15,000</b>
<i>District Management, Policy &amp; Administration</i>				
Management Contract	106,217	17,220	34,064	157,500
Office Expense	674	109	216	1,000
Consultants	674	109	216	1,000
Accounting	4,384	711	1,406	6,500
Legal	674	109	216	1,000
Insurance	8,430	1,367	2,703	12,500
				<b>179,500</b>
<i>Contingency, City Fees, Reserve for Non-Pay</i>				
Taxes & Fees	20,173	3,270	6,470	29,913
Contingency	10,116	1,640	3,244	15,000
Delinquency	50,433	8,176	16,174	74,783
	<b>1,078,365</b>	<b>175,654</b>	<b>353,155</b>	<b>119,696</b>
				<b>1,607,173</b>