



**DOWNTOWN INDUSTRIAL DISTRICT BID  
BOARD OF DIRECTORS  
MEETING AGENDA  
April 21, 2022 10 a.m.**

**Videoconference/Telephonic meeting  
in accordance with AB361**

**Meeting link:** <https://us02web.zoom.us/j/82947750266>

**Meeting ID:** 829 4775 0266

**Meeting materials link:** <http://www.industrialdistrictla.com/sites/default/uploads/agendas/042122-BID-Board%20meeting-agenda.pdf>

**SPECIAL NOTICE:** In conformity with California Assembly Bill AB361, signed into law by Governor Newsom on September 16, 2021, and due to public health concerns and directives issued by the Mayor of Los Angeles and the Los Angeles County Public Health Department regarding reducing the spread of Covid-19, this meeting of the Downtown Industrial Business Improvement District will be conducted virtually. All public comment will be taken telephonically, via zoom or by written submission. This will apply to all LADID meetings taking place during the period in which state or local public health officials have imposed or recommended social distancing measures.

1. **Call to Order** **Shinbane**
  
2. **Public Comment**  
*Members of the public who wish to offer public comment will be limited to 2 minutes.*
  
3. **Approval of the Board Meeting Minutes** **Shinbane**
  - **MOTION:** Approval of February 3, 2022 BID Board meeting minutes
  - **MOTION:** Approval of April 11, 2022 Finance Committee meeting minutes
  
4. **Council District 14 Report** **Christopher Antonelli**  
Updates from Councilmember de Leon's Downtown Director regarding our area.
  
5. **Tim McOsker for City Council** **McOsker**  
Introduction and request for support by Candidate for LA City Council District 15 Tim McOsker.

- 6. Presentation: 4<sup>th</sup> & Central Project, 400 S. Central Ave. Rauch/Falcone**  
Presentation of proposal to build a high-rise mixed use complex to replace LA Cold Storage.

  - MOTION: Consideration of support for the 4<sup>th</sup> & Central Project.
  
- 7. California Downtown Association (CDA) – AB 2890 Rena Leddy**  
Presentation regarding proposed new State legislation clarifying how “Special” vs. “General” benefits are quantified, and a request for financial assistance to advocate for this legislation in Sacramento.

  - MOTION: Consideration of support for AB 2890 and contribution toward CDA’s efforts to secure its passage.
  
- 8. Alliance Case Update Elizabeth Mitchell**  
Presentation on recent settlement with City of Los Angeles.
  
- 9. Finance Report Coelho**

  - Review of Y-T-D revenues/expenses.
  - Review and discussion of Finance Committee recommendations.

MOTION: Consideration of support for Finance Committee recommendation of a 5% increase in the BID 2023 assessment rate
  
- 10. Establish 401k Employee Accounts Coelho**

  - MOTION: Establishment of a 401k retirement plan for BID employees.
  
- 11. Executive Director’s Report Lopez**  
Operations Report  
**Ramirez/Foster**
  
- 12. Adjournment Shinbane**

**DOWNTOWN INDUSTRIAL DISTRICT BID  
BOARD OF DIRECTORS  
MEETING MINUTES DRAFT  
February 3, 2022**

**Members Present:** Dilip Bhavnani, Drew Bauer, Jenni Harris, Sergio Moreno, Larry Rauch, Mark Shinbane

**Staff/Vendors:** Estela Lopez, Jesse Ramirez, Greg Foster (Allied Universal Security)

**Consultants:** Ken Coelho (Armanino LLP); Sara Gorsky (Get Art Seen); Don Steier (general counsel)

1. **Call to Order- Welcome & Introductions** **Shinbane**  
Meeting was called to order at 10:02 a.m.
  
2. **Public Comment**  
No public comment.
  
3. **Approval of the Board Meeting Minutes** **Shinbane**  
MOTION: Approval of August 12, 2021 and November 16, 2021 BID Board minutes, and the January 26, 2022 BID Nominating Committee minutes. Bhavnani moved; Rauch seconded. Unanimous approval.
  
4. **Nomination of Industrial BID Board officers for 2022-24 term** **Shinbane**  
MOTION: Approval of the Nominating Committee slate of officers, consisting of Mark Shinbane (Chairman), Sergio Moreno (Vice-Chairman), Drew Bauer (Treasurer) and Dilip Bhavnani (Secretary). Rauch moved; Shinbane seconded. Unanimous approval.
  
5. **Council District 14 Report** **C. Antonelli**  
Update on the much-needed resumption of City comprehensive cleanups within the BID areas, and procedure for moving tents blocking doorways.
  
6. **Self Storage – 646 S. San Pedro St.** **D. Sayles**  
Presentation by Johnson Development of their proposal to build new 5-story self storage facility at 7<sup>th</sup> & San Pedro St. with primary access via 7<sup>th</sup> St. and secondary access on Crocker St. Storage is a by-right commercial use in this zone but requires a Conditional Use Permit due to proximity to residential uses. Hours of operation: staffed access 8am-6pm Mon-Sat. and 9am-4pm Sun. Direct customer access: 5am-10pm (unstaffed).

MOTION: Industrial BID Board supports Johnson Development's construction of self-storage facility at 7<sup>th</sup> & San Pedro St. Shinbane moved; Rauch seconded. Unanimous approval.

7. **Third St. Bike Lane Project**

**T. Nguyen**

Consideration of a City-proposed bike lane opportunity on Third St. between Main Street and Alameda. The proposed protected bike lane is 1/2mi long and will occupy one lane on Third St. and would help close the bikeway gaps throughout DTLA. Nguyen presented maps of existing bike lanes and renderings of how this proposed lane would affect parking, cycling safety and circulation.

NO ACTION: City is still conducting outreach and taking comments. The BID will have the opportunity to provide further comment and consideration as proposal moves forward.

8. **Finance Report**

**Coelho**

Coelho presented the 2021 4<sup>th</sup> quarter report. In 2021, the BID collected \$161,000 more than budgeted, comprised of 2020 carryover funds and past years' delinquent assessments. The BID used that excess revenue primarily toward maintenance expenses, increasing our service levels throughout the year. This was as much due to actual need as well as a City directive that BIDs must spend all of their revenue during the calendar year and not accumulate funds that in past years were brought forward as carryover into the following year.

9. **Executive Director's Report**

**Lopez**

Lopez reported on progress associated with the West Santa Ana Branch transit line. Metro has formally selected Union Station as the downtown terminus for the line. Due to funding shortfall, Metro also decided to build the line in two segments, beginning with the segment between Artesia and Slauson Ave. Supervisors Janice Hahn and Hilda Solis pledged to continue to identify funding for the downtown portion. A key sticking point may be the cost of the underground alternative through downtown. Lopez will schedule a meeting with Sup. Solis and invited Board member to join this meeting to continue to advocate for the underground alternative.

Lopez also briefed the board on maintenance personnel coverage, resumption of full Operation Healthy Streets cleanups, and a new record set last quarter of 200 on-demand pressure wash calls a month.

10. **Adjournment**

Meeting adjourned at 11:13 a.m.

**L.A. DOWNTOWN INDUSTRIAL DISTRICT BID  
FINANCE COMMITTEE**  
Central City East Association  
725 S. Crocker Street, Los Angeles 90021  
April 11, 2020 11 a.m.  
**MEETING MINUTES (DRAFT)**

**Members Present:** Mark Shinbane, Drew Bauer, Dilip Bhavnani, Sergio Moreno

**Staff:** Estela Lopez

**Consultant(s):** Ken Coelho (Armanino LLP)

1. **Call to Order** **Shinbane**  
Meeting called to order at 11:03 a.m.
2. **Findings to Continue Teleconference Meetings Pursuant to AB361**  
MOTION: Adoption of Resolution No. 2202-02BID. Shinbane moved; Bhavnani seconded  
Unanimous approval.
3. **Public Comment**  
There were no public comments.
4. **2023 BID Assessments** **Coelho**  
The Committee reviewed current and future BID service needs and the costs associated with these.  
  
Maintenance services were expanded in 2021 to meet the ever-greater demand. Current budget has a reserve, and general benefit income has been received. Still, inflation and possible higher than projected delinquencies could have an impact at year end. To maintain BID services in 2023 at current levels, the Committee recommends a 5% increase in assessment rates in 2023. The Committee also considered the establishment of a 401K retirement plan for BID employees.  
MOTION: Finance Committee transmits to the Board the recommendation for a 5% assessment increase in 2022. Bhavnani moves; Bauer seconds. Unanimous approval.
5. **Adjournment**  
Meeting adjourned at 12:09p.m.

AMENDED IN ASSEMBLY MARCH 24, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2890**

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**Introduced by Assembly Member Bloom**

February 18, 2022

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An act to amend ~~Section 36650~~ *Sections 36615.5 and 36622* of the Streets and Highways Code, relating to improvement districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2890, as amended, Bloom. Property and business improvement districts.

Existing law, the Property and Business Improvement District Law of 1994, authorizes local governmental entities to levy assessments on properties and businesses within a property and business improvement district for the purpose of financing certain improvements and promoting activities that benefit property in the district. ~~Existing law requires the owners' association under contract with the local governmental entity to administer or implement activities and improvements specified in the management district plan, as defined, to prepare a report for each fiscal year for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report, as specified. Existing law requires the management district plan for a property-based district to include, among other things, the total amount of all special benefits to be conferred upon the properties located within the property-based district and the total amount of general benefits, if any.~~

*This bill would delete those requirements.*

*The Property and Business Improvement District Law of 1994 defines "special benefit" to mean, for purposes of a property-based district, a*

*particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large.*

*This bill would specify that “special benefit” includes, for purposes of a property-based district, a particular and distinct benefit provided directly to assessed parcels throughout the district. The bill would authorize a city to impose assessments that are less than the proportional special benefit conferred, but would prohibit a city from imposing assessments that exceed the reasonable costs of the proportional special benefit, as provided.*

~~This bill would make nonsubstantive changes to that reporting provision.~~

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Section 36615.5 of the Streets and Highways Code*  
2     *is amended to read:*

3     36615.5. (a) “Special benefit” means, for purposes of a  
4     property-based district, a particular and distinct benefit over and  
5     above general benefits conferred on real property located in a  
6     district or to the public at large. Special benefit includes incidental  
7     or collateral effects that arise from the improvements, maintenance,  
8     or activities of property-based districts even if those incidental or  
9     collateral effects benefit property or persons not assessed. Special  
10    benefit excludes general enhancement of property value.

11    (b) “Special benefit” also includes, for purposes of a  
12    property-based district, a particular and distinct benefit provided  
13    directly to assessed parcels throughout the district. Merely because  
14    parcels throughout an assessment district share the same special  
15    benefits does not make the benefits general.

16    SEC. 2. Section 36622 of the Streets and Highways Code is  
17    amended to read:

18    36622. The management district plan shall include, but is not  
19    limited to, all of the following:

20    (a) If the assessment will be levied on property, a map of the  
21    district in sufficient detail to locate each parcel of property and, if  
22    businesses are to be assessed, each business within the district. If  
23    the assessment will be levied on businesses, a map that identifies  
24    the district boundaries in sufficient detail to allow a business owner

1 to reasonably determine whether a business is located within the  
2 district boundaries. If the assessment will be levied on property  
3 and businesses, a map of the district in sufficient detail to locate  
4 each parcel of property and to allow a business owner to reasonably  
5 determine whether a business is located within the district  
6 boundaries.

7 (b) The name of the proposed district.

8 (c) A description of the boundaries of the district, including the  
9 boundaries of benefit zones, proposed for establishment or  
10 extension in a manner sufficient to identify the affected property  
11 and businesses included, which may be made by reference to any  
12 plan or map that is on file with the clerk. The boundaries of a  
13 proposed property assessment district shall not overlap with the  
14 boundaries of another existing property assessment district created  
15 pursuant to this part. This part does not prohibit the boundaries of  
16 a district created pursuant to this part to overlap with other  
17 assessment districts established pursuant to other provisions of  
18 law, including, but not limited to, the Parking and Business  
19 Improvement Area Law of 1989 (Part 6 (commencing with Section  
20 36500)). This part does not prohibit the boundaries of a business  
21 assessment district created pursuant to this part to overlap with  
22 another business assessment district created pursuant to this part.  
23 This part does not prohibit the boundaries of a business assessment  
24 district created pursuant to this part to overlap with a property  
25 assessment district created pursuant to this part.

26 (d) The improvements, maintenance, and activities proposed  
27 for each year of operation of the district and the ~~maximum~~  
28 *estimated* cost thereof. If the improvements, maintenance, and  
29 activities proposed for each year of operation are the same, a  
30 description of the first year's proposed improvements, maintenance,  
31 and activities and a statement that the same improvements,  
32 maintenance, and activities are proposed for subsequent years shall  
33 satisfy the requirements of this subdivision.

34 (e) The total annual amount proposed to be expended for  
35 improvements, maintenance, or activities, and debt service in each  
36 year of operation of the district. If the assessment is levied on  
37 businesses, this amount may be estimated based upon the  
38 assessment rate. If the total annual amount proposed to be expended  
39 in each year of operation of the district is not significantly different,  
40 the amount proposed to be expended in the initial year and a



1 statement that a similar amount applies to subsequent years shall  
 2 satisfy the requirements of this subdivision.

3 (f) The proposed source or sources of financing, including the  
 4 proposed method and basis of levying the assessment in sufficient  
 5 detail to allow each property or business owner to calculate the  
 6 amount of the assessment to be levied against ~~his or her~~ *their*  
 7 property or business. The plan also shall state whether bonds will  
 8 be issued to finance improvements.

9 (g) The time and manner of collecting the assessments.

10 (h) The specific number of years in which assessments will be  
 11 levied. In a new district, the maximum number of years shall be  
 12 five. Upon renewal, a district shall have a term not to exceed 10  
 13 years. Notwithstanding these limitations, a district created pursuant  
 14 to this part to finance capital improvements with bonds may levy  
 15 assessments until the maximum maturity of the bonds. The  
 16 management district plan may set forth specific increases in  
 17 assessments for each year of operation of the district.

18 (i) The proposed time for implementation and completion of  
 19 the management district plan.

20 (j) Any proposed rules and regulations to be applicable to the  
 21 district.

22 (k) (1) A list of the properties or businesses to be assessed,  
 23 including the assessor's parcel numbers for properties to be  
 24 assessed, and a statement of the method or methods by which the  
 25 expenses of a district will be imposed upon benefited real property  
 26 or businesses, in proportion to the benefit received by the property  
 27 or business, to defray the cost thereof.

28 (2) In a property-based district, the proportionate special benefit  
 29 derived by each identified parcel shall be determined exclusively  
 30 in relationship to the entirety of the capital cost of a public  
 31 improvement, the maintenance and operation expenses of a public  
 32 improvement, or the cost of the activities. An assessment shall not  
 33 be imposed on any parcel that exceeds the reasonable cost of the  
 34 proportional special benefit conferred on that parcel. Only special  
 35 benefits are assessable, and a property-based district shall separate  
 36 the general benefits, if any, from the special benefits conferred on  
 37 a parcel. Parcels within a property-based district that are owned  
 38 or used by any city, public agency, the State of California, or the  
 39 United States shall not be exempt from assessment unless the  
 40 governmental entity can demonstrate by clear and convincing

1 evidence that those publicly owned parcels in fact receive no  
2 special benefit. The value of any incidental, secondary, or collateral  
3 effects that arise from the improvements, maintenance, or activities  
4 of a property-based district and that benefit property or persons  
5 not assessed shall not be deducted from the entirety of the cost of  
6 any special benefit or affect the proportionate special benefit  
7 derived by each identified parcel.

8 *(3) In a property-based district, properties throughout the*  
9 *district may share the same special benefits. In a district with*  
10 *boundaries that define which parcels are to receive improvements,*  
11 *maintenance, or activities over and above those services provided*  
12 *by the city, the improvements, maintenance, or activities themselves*  
13 *may constitute a special benefit. The city may impose assessments*  
14 *that are less than the proportional special benefit conferred, but*  
15 *shall not impose assessments that exceed the reasonable costs of*  
16 *the proportional special benefit. Because one or more parcels pay*  
17 *less than the special benefit conferred does not necessarily mean*  
18 *that other parcels have exceeded the reasonable cost of their*  
19 *special benefit. If the special benefits themselves produce certain*  
20 *general benefits, the value of those general benefits need not be*  
21 *deducted before the assessments are calculated.*

22 ~~(t) In a property-based district, the total amount of all special~~  
23 ~~benefits to be conferred upon the properties located within the~~  
24 ~~property-based district.~~

25 ~~(m) In a property-based district, the total amount of general~~  
26 ~~benefits, if any.~~

27 ~~(n)~~

28 (l) In a property-based district, a detailed engineer's report  
29 prepared by a registered professional engineer certified by the  
30 State of California supporting all assessments contemplated by the  
31 management district plan.

32 ~~(o)~~

33 (m) Any other item or matter required to be incorporated therein  
34 by the city council.

35 SECTION 1. Section 36650 of the Streets and Highways Code  
36 is amended to read:

37 36650. ~~(a) The owners' association shall cause to be prepared~~  
38 ~~a report for each fiscal year, except the first year, for which~~  
39 ~~assessments are to be levied and collected to pay the costs of the~~  
40 ~~improvements, maintenance, and activities described in the report.~~

1 The owners' association's first report shall be due after the first  
2 year of operation of the district. The report may propose  
3 modifications, including, but not limited to, the boundaries of the  
4 property and business improvement district or any benefit zones  
5 within the district, the basis and method of levying the assessments,  
6 and any changes in the classification of property, including any  
7 categories of business, if a classification is used.  
8 (b) The report shall be filed with the clerk and shall refer to the  
9 property and business improvement district by name, specify the  
10 fiscal year to which the report applies, and, with respect to that  
11 fiscal year, shall contain all of the following information:  
12 (1) Any proposed changes in the boundaries of the property and  
13 business improvement district or in any benefit zones or  
14 classification of property or businesses within the district.  
15 (2) The improvements, maintenance, and activities to be  
16 provided for that fiscal year.  
17 (3) An estimate of the cost of providing the improvements,  
18 maintenance, and activities for that fiscal year.  
19 (4) The method and basis of levying the assessment in sufficient  
20 detail to allow each real property or business owner, as appropriate,  
21 to estimate the amount of the assessment to be levied against their  
22 property or business for that fiscal year.  
23 (5) The estimated amount of any surplus or deficit revenues to  
24 be carried over from a previous fiscal year.  
25 (6) The estimated amount of any contributions to be made from  
26 sources other than assessments levied pursuant to this part.  
27 (e) The city council may approve the report as filed by the  
28 owners' association or may modify any particular contained in the  
29 report and approve it as modified. Any modification shall be made  
30 pursuant to Sections 36635 and 36636.  
31 The city council shall not approve a change in the basis and  
32 method of levying assessments that would impair an authorized  
33 or executed contract to be paid from the revenues derived from  
34 the levy of assessments, including any commitment to pay principal  
35 and interest on any bonds issued on behalf of the district.

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## 2022 Maintenance Numbers

MONTH	TRASH BAGS / TONS	PRESSURE WASH REQUEST	GRAFFITI TAGS REMOVED	NEEDLES PICKED UP
JANUARY	10,434 / 157	595	1,336	943
FEBRUARY	9,080 / 136	680	1,467	384
MARCH	12,887 / 193	780	851	361
TOTAL	32,401 / 486	2,055	3,654	1,688



## 2022 Security Numbers

MONTH	SERVICE REQUEST TOTAL	BLOCKING SIDEWALK / DOORWAY	TRESPASSING	DISTURBANCE
JANUARY	208	153	22	5
FEBRUARY	212	145	38	10
MARCH	210	151	30	13
<b>TOTAL</b>	<b>630</b>	<b>449</b>	<b>90</b>	<b>28</b>

## Los Angeles Downtown Industrial District

### Annual Budget & Year-To-Date Totals Quarter Ending March 31, 2022

BUDGET LINE ITEM	ANNUAL BUDGET	ACTUAL TO DATE	AMOUNT 1ST QTR	AMOUNT YEAR-TO-DATE	VARIANCE TO DATE	EXPLANATION OF VARIANCE
Assessment Income	2,956,758	1,537,135	1,537,135		1,419,623	
General Benefit Income	102,687	102,687	102,687		-	
Carryover Funds	225,000	90,153	90,153		134,847	excess carryover funds less than expected due to increase in maintenance costs in 2021
Other Income	-	10,091	10,091		(10,091)	interest and prior year assessment revenue
<b>TOTAL</b>	<b>3,284,445</b>	<b>1,740,066</b>	<b>1,740,066</b>		<b>1,544,379</b>	
			AMOUNT 1ST QTR	AMOUNT YEAR-TO-DATE	VARIANCE	
City Fees	29,568	31,818	31,818	31,818	(2,250)	total assessment revenue invoiced was slightly higher than originally budgeted
Contingency/Reserve	65,688	2,413	2,413	2,413	63,275	
Administration	254,114	52,723	52,723	52,723	201,391	
Clean & Safe	2,687,577	395,593	395,593	395,593	2,291,984	this report is on cash basis. Additional invoices for 1st qtr expenses are received and paid after month close.
ED&C/Marketing	247,498	51,656	51,656	51,656	195,842	
<b>TOTAL</b>	<b>3,284,445</b>	<b>534,203</b>	<b>534,203</b>	<b>534,203</b>	<b>2,750,242</b>	

**Other income (detail):**

Prior Year(s) Assessment Income Received	9,935
Penalty Income	-
Interest-City of L.A.	131
Interest-Bank	25
Misc Receipts	-
<b>Total other income as of March 31, 2022</b>	<b><u>10,091</u></b>

	2022 Q1	Annual Budget
Clean & Safe	395,593	2,687,577
ED&C/Mkting	51,656	247,498
Admin/etc.	86,954	349,370
Total	534,203	3,284,445