

LINCOLN HEIGHTS INDUSTRIAL ZONE

BUSINESS IMPROVEMENT DISTRICT

Management District Plan

2011-2020

Final Plan

December 15th, 2010

Presented by:
New City America, Inc.

For the
Los Angeles Lincoln Heights Business Council
Councilman Ed Reyes
Los Angeles City Clerk's Office

Prepared Pursuant to the
Los Angeles Landscaping, Security, Programming and Maintenance
Property Business Improvement District Ordinance (LSPM BID)
to create an LSPM BID in Los Angeles, California

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SECTION 1

Management District Plan – Executive Summary

The Lincoln Heights Industrial Zone Business Improvement District is being renewed and expanded under the Landscaping Security Programming and Maintenance Property Business Improvement District Ordinance #173167 of the City of Los Angeles “Division 6 of the Los Angeles Administrative Code, Chapter 9, and Sections 6.600 to 6.620. The Lincoln Heights Industrial Zone Business Improvement District is located within a “special economic incentive zone” as defined in Division 6 of Los Angeles Administrative Code, Chapter 9, Section 6.601.

The area falls into Census Tract 1990 in the County of Los Angeles. The 2000 Federal Government Census Tract report lists Census Tract 1990 with an individual **poverty status of 35.9%**. Based upon this official government data, the Historic Lincoln Heights Industrial Zone Business Improvement District is considered eligible.

This Management District Plan is proposed to continue to improve and provide special benefits to properties located within the boundaries of the current Los Angeles Lincoln Heights Industrial Zone Business Improvement District established in 2000, and expand to the areas to the southwest of the existing district. The proposed Lincoln Heights Industrial Zone Business Improvement District will provide expanded improvements and activities, including maintenance and cleaning, security, beautification and other special programs.

The current Lincoln Heights Industrial Zone BID is a benefit assessment district that has provided improvements and special benefits to individual parcels in the existing boundaries of the Los Angeles Lincoln Heights BID since 2001. The existing Lincoln Heights Industrial Zone BID, serves to improve the individual parcels through special benefit “clean and

safe services”, and enhance the individual district parcels within the BID area. The small expansion area will have its individual parcels receive the same special benefit services at the same frequency as the original district.

The current BID serves to improve the district, provide safety and cleaning services for the predominantly industrial individual parcels, increase occupancies and enhance the image of the overall district. The renewed and expanded Lincoln Heights Industrial Zone Business Improvement District will continue these special benefit services and additionally acknowledges the fact that this is a community in transition, with new housing being developed around the Gold Line station. The renewed and expanded district seeks to fund the special benefits that are desired over the next ten years, based upon keeping the existing BID and expansion areas clean, safe, orderly, attractive and increase new retail commerce and enhance residential life on the commercially zoned parcels within the boundaries of the renewed and expanded BID.

The district is being expanded in an incremental way to incorporate the new residential developments that have been constructed over the past ten years. The rational boundary for this district should have been the Golden State freeway 10 years ago when it was first formed, however the Gold Line and subsequent housing were funded and constructed in that time period. Since the Gold Line station has become a significant portal of entry for employees, resident and visitors to the district, its inclusion and the adjacent residential and remaining industrial properties up to the Golden State freeway provide a rational area for expansion of special benefit services to the renewed and expanded district. The renewed and expanded district shall provide special

benefits for the following areas in the following ways:

- 1) Clean and safe services shall provide regular sidewalk sweeping and gutter sweeping services for all commercially zoned properties in the district which will result in a better appearance for employees, property owners, business owners, residents and visitors alike;
- 2) Private security, if provided, will provide a greater sense of safety and will help reduce petty crime in

Boundaries:

In general, the boundaries of the renewed and expanded Lincoln Heights Industrial Zone Business Improvement District will include all of the parcels within the current BID and expansion would include other parcels to the southwest on the west side of Avenue 26 and bordered by the off ramp from the Golden State Freeway to Avenue 26 and the Golden State Freeway. The renewed and expanded BID will provide special benefit services to the individual parcels which need and will benefit from the system of special benefit services that have been provided to the existing BID expand to the Golden State freeway. In addition, the Golden State Freeway, Highway 110 and Pasadena Avenue serve as a natural and rational border to the industrial parcels and new residential parcels built over the past ten years adjacent to the Lincoln Heights Gold Line station.

The boundaries of the renewed and expanded BID will include those assessed individual parcels that will specifically benefit from the planned programs and services benefit services. To the greatest extent possible, the boundaries of the renewed and expanded BID have been set to exclude sides of blocks where the predominant land uses are single family residential units, on individual parcels. That is the reason why some adjacent sides of streets have been included while the opposite side of the street has been deleted. In the case of sides of streets

the area including car prowls, graffiti, and petty vandalism.

- 3) Beautification efforts and decorations will create a sense of identity and help in the promotion of the area to increase residential tenancies, commercial, retail and industrial occupancies and portray a much more vibrant and successful industrial neighborhood;

where the predominant land uses are single family residential units on single parcels on residentially zoned parcels, it has been determined that these sides of the street will not derive benefit from the special benefit services of the district, when compared to the sides of blocks that contain predominant land uses including industrial, commercial, ecumenical, public and multi-family residential buildings in the existing and expanded district.

Regardless of the land use, the renewed and expanded BID shall include all buildings that exist on commercially zone parcels and will, by and large, exclude those blocks or sides of blocks that are residentially zoned.

From the original formation of the district in 2000, the BID was established primarily to confer special benefits to industrial and commercially zoned individual parcel owners. Single family residential units that are located on commercially zoned parcels may be used for multiple uses. These single family residential units which are on commercially zoned parcels will receive the same benefits as the other commercially zoned parcels since their need for services are relatively equal based upon the amount of frontage and lot size they have within the district. To the greatest extent possible, residentially zone parcels have been excluded since the residents do not have the same need for special benefit services.

These renewed and expanded BID boundaries, as proposed, are as follows:

- **On the North**, commencing at the southern side of the Pasadena Freeway (110) at Pasadena Avenue (west side), (parcel 5205-004-010) running westward along the south side of the Pasadena Freeway (110), following the Avenue 26 northbound onramp to the freeway to the parcel at the northwestern corner of the intersection of Avenue 26 and the Pasadena Freeway (110) (parcels # 5205-012-901 and # 5205-012-900). The pedestrian walkway between parcels # 5205-003-008 and 5205-003-006 is excluded from the boundaries of the renewed and expanded BID. The pedestrian walkway has never been included in the district since 2000 because it does not have a parcel number and its function is to transport children from the east side of Highway 110 to their school on the west side of Highway 110.
- **On the West**, from the northwestern corner of the intersection of the Pasadena Freeway (110) and the Golden State Freeway (parcel 5205-012-901), running southward along the east side of the Golden State freeway to parcel # 5205-013-009).
- **On the South**, commencing from parcel at the northeastern corner of the intersection of the Golden State freeway and Barranca Street, (parcel # 5205 013 009). Services shall be provided on all sides of the residential parcel at 5205 013 009. Running eastward along the north side of Barranca Street which includes the industrial properties on the north side, and excluding the single family residential homes which are residentially zoned on the south side of Barranca. The southern boundary then runs north along the middle of Avenue 26 including all of the parcels from Barranca to Humboldt Street, on the west side of Avenue 26 only. Continuing on eastward on both sides of Humboldt Street of the street up to the triangular parcel at the

intersection of Barranca Street and Humboldt Street (parcel # 5205-015-015). The parcels on the south side of Humboldt from Avenue 26 to Avenue 33 shall be one parcel deep to on the south side to reflect the commercially zoned parcels on those blocks. The services stop at Humboldt since Humboldt Street represents the historic edge of the industrial zone district where the land uses were predominantly of an industrial or manufacturing nature. Parcels 5205-006-036, 037, 038, and 039 have been excluded from the renewed and expanded BID since they are zoned as single family residential parcels and will not receive any special benefit from the BID services.

- **On the East**, commencing at the parcels at the intersection of Humboldt Street, Barranca Street and Avenue 29 including parcels # 5205-015-015, 5205-017—028 and 015 and 5205-016-021. Running northward along the east side of Humboldt Street to Avenue 33, running eastward along the north side of Avenue 33 to Pasadena Avenue (parcel # 5205-005-043) then running northward along the west side of Pasadena Avenue from Avenue 33 up to the Pasadena Freeway (110), ending at parcel 5205-004-010. Only the west side of Pasadena Avenue is included since those are the original boundaries of the current BID and that street acts as a demarcation of industrial land uses on the west side, versus predominantly single family residential land uses on individual parcels on the east side of Pasadena Avenue. The west side of Pasadena Avenue is the original boundary of the Industrial Zone BID, since it was determined in 2000, and reaffirmed during the renewal and expansion process. The boundaries of the renewed and expanded district have been reaffirmed to include only one side of Pasadena Avenue due to the fact that the individual parcels between Pasadena Avenue west to the Golden State freeway will be cleaned under a system of special benefit

sidewalk cleaning services with rational boundaries that define the historic entry and exit to the Industrial zone parcels. The intent of the special benefit services for the “Industrial Zone” was in fact, to service the individual parcels in the blocks and sides of blocks that were, and are, predominantly industrial, manufacturing, distribution and commercial land uses.

Assessments to Fund Services:

There shall be one benefit zone within the proposed renewed and expanded BID.

- Linear frontage will be assessed on all sides.
- Lot size shall be assessed the same rate throughout the district due to the fact that all individual parcels whether industrial, manufacturing, public, ecumenical or residential, (whether single family condos, single family units on commercial lots or multi-family residential) will receive that same type and frequency of special benefit services. The primary special benefit services being funded by this renewed and expanded district will benefit all individual parcels, regardless of their land use, in the same manner. Within the boundaries of the renewed and expanding BID, there shall be an equitable distribution of services based upon frequency and type of special benefit service for all parcels, regardless of whether they are industrial, manufacturing, residential, ecumenical land uses or publicly owned. These services shall include equal frequency of sidewalk sweeping, graffiti removal, trash can emptying, and minor landscaping and beautification programs which will be distributed five days per week throughout the renewed and expanded district. To the greatest extent possible, only commercially zone parcels shall be

included in the renewed and expanded district.

- Building square footage will not be assessed on any parcel throughout the renewed and expanded district.

Budget:

There are two categories of special benefit services that will be funded with this renewed and expanded Lincoln Heights Industrial Zone Business Improvement District BID:

1. *Sidewalk Operations and Beautification:* this includes all special benefit sidewalk cleaning services, graffiti removal, beautification and management of these services;
2. *Administration and Corporate Operations and Contingency*

Various special benefit services are identified which fall within that category. Demands for prioritization of one special benefit need over another, within each category, will occur year by year.

The following category of special benefit services shall be provided to individual assessed commercially zoned parcels within the renewed and expanded BID.

SIDEWALK OPERATIONS AND BEAUTIFICATION:

\$ 55,160.00 is the estimated costs for these special benefit services for the current district and expansion area for the new Management District Plan. This amount shall provide the following services, Monday through Friday, not including holidays. Since this menu of special benefit services has a ten year track record of real world experience in providing similar services in the sidewalks of the current BID, it has been determined that \$53,741 per year would cover the costs of maintenance based upon the needs of the renewed and expanded district for the next ten years.

Examples of these special benefit sidewalk operations and beautification services are over and

above those provided by the City of Los Angeles and include, but are not limited to the following:

- Private security services; (if needed);
- Regular sidewalk and gutter sweeping
- Enhanced landscaping
- Enhanced trash emptying
- Graffiti removal, within 24 hours as necessary
- Equipment, supplies, tools, Vehicle maintenance and insurance, storage and equipment rental location, general liability insurance
- Maintenance personnel and supervisor oversight costs

The following category of special benefit services shall only be provided to assessed individual parcels within the renewed and expanded BID.

ADMINISTRATION AND CORPORATE OPERATIONS AND CONTINGENCY:

\$ 18,415.00 is the estimated costs for these administrative special benefit services for the renewed and expanded BID.

Examples of these special benefit services and costs are over and above those provided by the City of Los Angeles and include, but are not limited to:

- Staff and administrative costs
- Directors and Officers Insurance
- Office related expenses
- Financial reporting
- Legal and accounting
- Delinquencies*
- City Fees**
- Reserves***

Reserve for Slow Payments (Delinquencies)* Five percent of the budget is held in reserve to offset delinquent and/or slow payment from both public and private assessed 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 District revenue. This line item expense shall be found in the “Contingency/City Fees/Reserve” portion of the budget.

Reserves:***

Reserves are budgeted for those funds that remain from the 5% set aside, that are over and above those that have not been collected and are over and above

the city fees. These reserves shall be carried forward from year to year, or may be reallocated to the designated budgetary categories found within the Management District Plan.

The summary of the 2011 operating budget for the renewed and expanded Lincoln Heights Business Improvement District including the ten-year projection, is provided on page 15 – 18 including Table 3-c. The table below shows the total improvement and activity plan budget for calendar year 2011, which is to be funded totally by property assessments, and is projected to be:

***Summary of Special Benefit Services by Category
Lincoln Heights Industrial Zone Business Improvement District – Calendar Year 2011***

Programs	Percent of Annual Budget	Estimated Annual Costs
Sidewalk Operations, Beautification (Security, sidewalk cleaning, beautification)	75%	\$ 55,160.00
Administration/Corporate Operations, Contingency/Reserve	25%	\$ 18,415.00
TOTAL	100%	\$ 73,575.00

Source or Method of Financing and Benefit

Zones:

The basis of funding shall be through special benefit assessments levied on real property throughout the district accompanied with the assessment methodology employed in the renewed and expanded BID.

Assessments to Fund Special Benefit Services to Individual parcels

The typical assessment method for individual parcels in the renewed and expanded BID will be:

Total Street Frontage X \$1.00 per linear foot
plus

Total Lot Square Footage X \$0.02 per Square Foot
equals

TOTAL PARCEL ASSESSMENT

All individual parcels, in the renewed and expanded BID will be assessed using the above calculation. The special services for all assessed individual parcels will be delivered Monday through Friday, except on holidays, 52 weeks per year to these individual parcels.

Publicly owned parcels

Publicly owned property will be assessed the same as all other individual parcels within the district.

City owned and State of California parcels will benefit from, and shall pay for the Sidewalk

Operations as well as the Administration/Contingency special benefits in the renewed and expanded Lincoln Heights Industrial Zone BID. The calculation of assessment for publicly owned property in the Lincoln Heights Industrial Zone BID will be assessed as follows:

Total Street Frontage X \$ 1.00 per linear foot
plus
 Total Lot Square Footage X \$0.02 per Square Foot
Equals

TOTAL PARCEL ASSESSMENT

***Projected Annual Costs for First Year of the
 Renewed and Expanded
 Lincoln Heights Industrial Zone
 Business Improvement District***

<i>Linear Frontage Costs</i>	<i>Lot Square Footage Costs</i>
\$ 1.00	\$ 0.02

First Year Annual Budget:

The renewed and expanded District budget is anticipated to be \$ 73,575.00 in calendar 2011.

District Formation:

District formation under City Ordinance #173167 requires submission of petitions from property owners representing at least 30% of the total weighted assessments. Once the petitions have been submitted to the City Clerk’s office, the Los Angeles City Council will consider adoption of the Ordinance of Intention to establish the district and approve the mail out of ballots to all affected property owners. Ballots are weighted by each property owner’s assessment as proportionate to the total proposed District assessment amount. The City Council may form the district if the weighted majority of returned ballots support the District formation.

Cap:

An annual Cost of Living Adjustment shall be allowable in the district. As approved by the Board of Directors of the Owner’s Association, the management corporation shall have the option to increase the annual assessment rates based upon the Los Angeles County Consumer Price Index, or an amount not to exceed 5% (five per cent) per year. Any determination of an annual increase will be communicated in writing to the City Clerk’s Office in the Annual Planning Report of each year.

Duration:

The modified and expanded District shall have a ten year term which shall commence on January 1, 2011 and expire on December 31, 2020.

Governance:

The Owner’s Association, as defined by City Ordinance #173167 amending Los Angeles Administrative Code, Chapter 9, and Sections 6.600 to 6.620 will review the District Budget and policies annually within the limitations of the Management District Plan as defined in Section 6.616 of Chapter 9 of the Administrative Code. Annual and quarterly financial reports will be filed with the City Clerk’s office.

An 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 Management District Plan as well as submit recommendations to the City on issues including the annual budget, assessment rate.

An Advisory Board is an entity other than the Owners Association which may contract with the City for administration. City Ordinance requires that an Advisory Board be appointed by the City Council to provide recommendations to Council and that at least one member of the Advisory Board be a business owner who is not a property owner. This entity is not necessarily the same organization which manages the day to day BID services and with whom is contracted to supply financial reports as other contractual obligations.

SECTION 2

Lincoln Heights Industrial Zone Business Improvement District Boundaries and Boundary Map

Boundaries:

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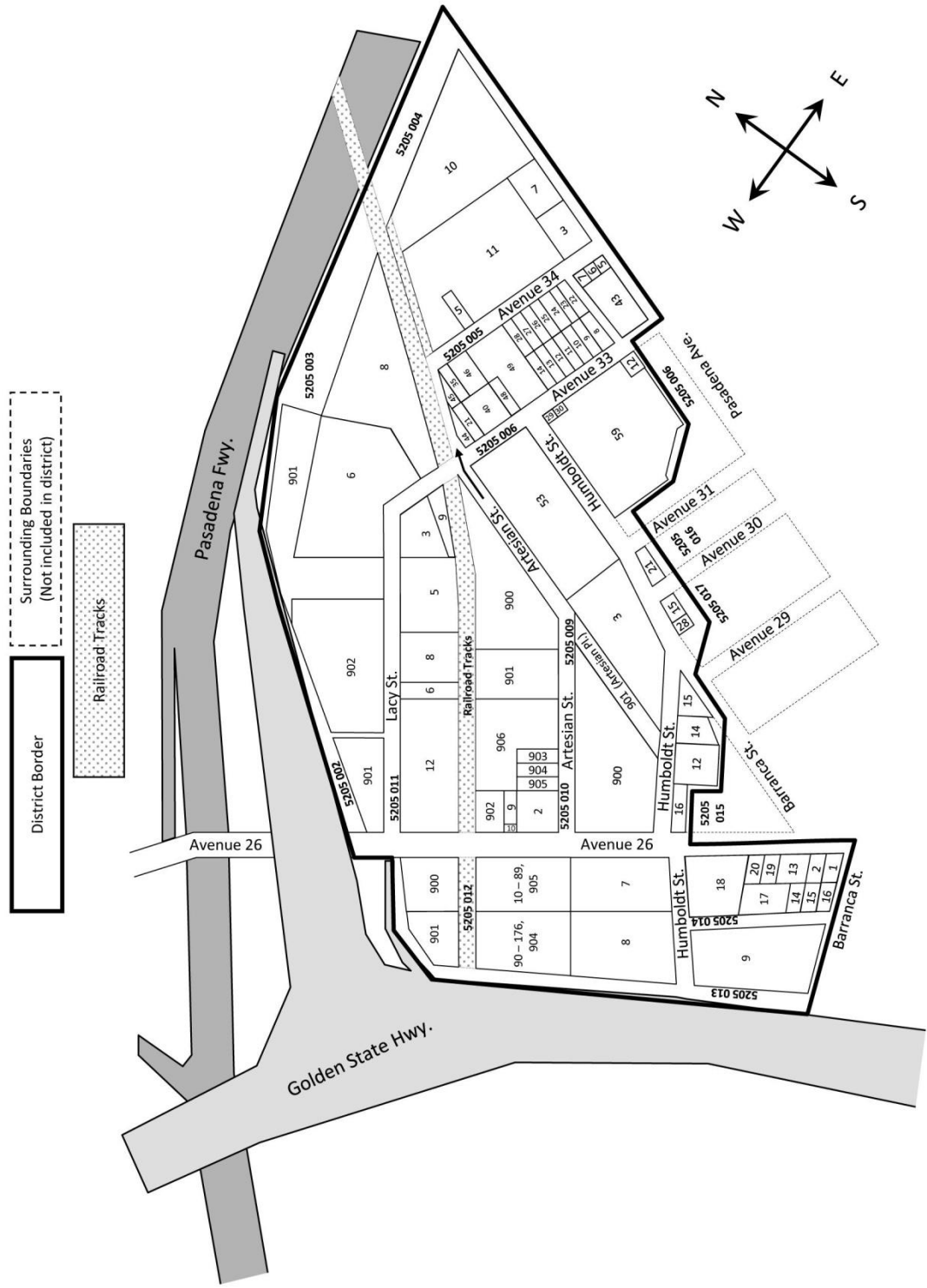
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Lincoln Heights Industrial Zone Business Improvement District



Lincoln Heights Industrial Zone Business Improvement District

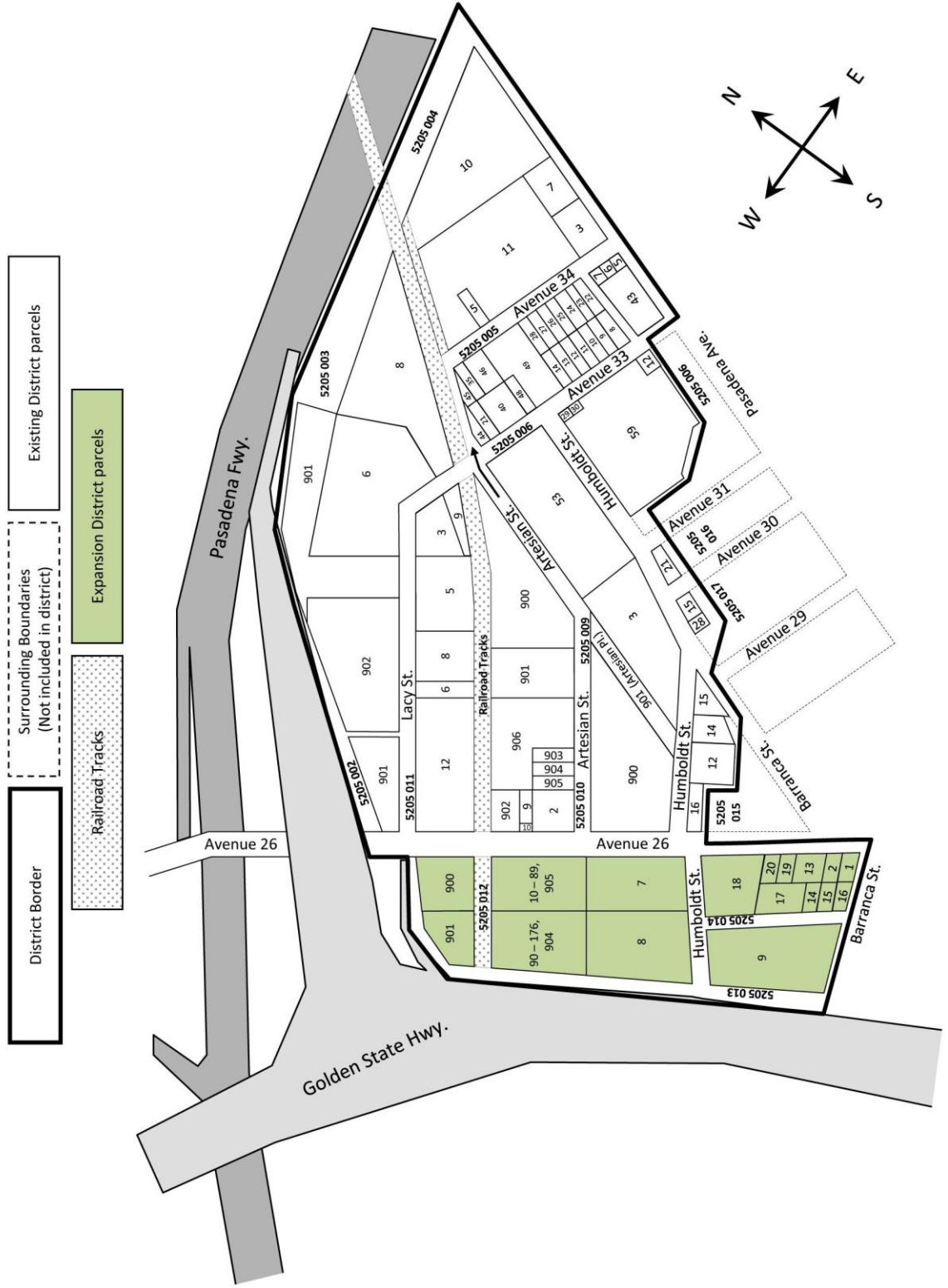


Table 2 - B

LIST OF PARCELS

5205 002 901		*no Site Address*	5205 010 010		*no Site Address*
5205 002 902		*no Site Address*	5205 010 900		*no Site Address*
5205 003 006	3225	Lacy St	5205 010 901	2665	Artesian St
5205 003 008	403	W Avenue 33	5205 010 902		*no Site Address*
5205 003 901		*no Site Address*	5205 010 903	2633	Artesian St
5205 004 003	3401	Pasadena Ave	5205 010 904		*no Site Address*
5205 004 005	153	W Avenue 34	5205 010 905	2633	Artesian St
5205 004 007	3433	Pasadena Ave	5205 010 906		*no Site Address*
5205 004 010	3505	Pasadena Ave	5205 011 003	3214	Lacy St
5205 004 011	141	W Avenue 34	5205 011 005	2672	Lacy St
5205 005 005	3321	Pasadena Ave	5205 011 006	2642	Lacy St
5205 005 006	110	W Avenue 34	5205 011 008	2662	Lacy St
5205 005 007	114	W Avenue 34	5205 011 009	420	W Avenue 33
5205 005 008	119	W Avenue 33	5205 011 012	2626	Lacy St
5205 005 009	125	W Avenue 33	5205 012 007	330	W Avenue 26
5205 005 010	129	W Avenue 33	5205 012 008	2301	Humboldt St
5205 005 011	201	W Avenue 33	5205 012 010	360	W Avenue 26 #100
5205 005 012		*no Site Address*	5205 012 011	360	W Avenue 26 #101
5205 005 013	211	W Avenue 33	5205 012 012	360	W Avenue 26 #102
5205 005 014	215	W Avenue 33	5205 012 013	360	W Avenue 26 #103
5205 005 021	315	W Avenue 33	5205 012 014	360	W Avenue 26 #105
5205 005 022	116	W Avenue 34	5205 012 015	360	W Avenue 26 #106
5205 005 023	118	W Avenue 34	5205 012 016	360	W Avenue 26 #107
5205 005 024	120	W Avenue 34	5205 012 017	360	W Avenue 26 #108
5205 005 025	130	W Avenue 34	5205 012 018	360	W Avenue 26 #109
5205 005 026	134	W Avenue 34	5205 012 019	360	W Avenue 26 #110
5205 005 027	138	W Avenue 34	5205 012 020	360	W Avenue 26 #111
5205 005 028	140	W Avenue 34	5205 012 021	360	W Avenue 26 #112
5205 005 035	170	W Avenue 34	5205 012 022	360	W Avenue 26 #113
5205 005 040	307	W Avenue 33	5205 012 023	360	W Avenue 26 #114
5205 005 043	3305	Pasadena Ave	5205 012 024	360	W Avenue 26 #115
5205 005 044		*no Site Address*	5205 012 025	360	W Avenue 26 #116
5205 005 045		*no Site Address*	5205 012 026	360	W Avenue 26 #117
5205 005 046	166	W Avenue 34	5205 012 027	360	W Avenue 26 #119
5205 005 048		*no Site Address*	5205 012 028	360	W Avenue 26 #120
5205 005 049	3209	Humboldt St	5205 012 029	360	W Avenue 26 #121
5205 006 012	114	W Avenue 33	5205 012 030	360	W Avenue 26 #122
5205 006 029	220	W Avenue 33	5205 012 031	360	W Avenue 26 #207
5205 006 030	214	W Avenue 33	5205 012 032	360	W Avenue 26 #208
5205 006 053	3209	Humboldt St	5205 012 033	360	W Avenue 26 #209
5205 006 059	3232	Humboldt St	5205 012 034	360	W Avenue 26 #210
5205 009 003	3011	Humboldt St	5205 012 036	360	W Avenue 26 #212
5205 009 900	301	W Avenue 26	5205 012 037	360	W Avenue 26 #213
5205 009 901		*no Site Address*	5205 012 038	360	W Avenue 26 #214
5205 010 002	2605	Artesian St	5205 012 039	360	W Avenue 26 #215
5205 010 009		*no Site Address*	5205 012 040	360	W Avenue 26 #216

5205 012 041	360	W Avenue 26 #217	5205 012 091	360	W Avenue 26 #125
5205 012 042	360	W Avenue 26 #300	5205 012 092	360	W Avenue 26 #126
5205 012 043	360	W Avenue 26 #301	5205 012 093	360	W Avenue 26 #127
5205 012 044	360	W Avenue 26 #302	5205 012 094	360	W Avenue 26 #128
5205 012 045	360	W Avenue 26 #303	5205 012 095	360	W Avenue 26 #129
5205 012 046	360	W Avenue 26 #304	5205 012 096	360	W Avenue 26 #130
5205 012 047	360	W Avenue 26 #305	5205 012 097	360	W Avenue 26 #131
5205 012 048	360	W Avenue 26 #306	5205 012 098	360	W Avenue 26 #132
5205 012 049	360	W Avenue 26 #307	5205 012 099	360	W Avenue 26 #133
5205 012 050	360	W Avenue 26 #308	5205 012 100	360	W Avenue 26 #134
5205 012 051	360	W Avenue 26 #309	5205 012 101	360	W Avenue 26 #135
5205 012 052	360	W Avenue 26 #310	5205 012 102	360	W Avenue 26 #136
5205 012 053	360	W Avenue 26 #311	5205 012 103	360	W Avenue 26 #137
5205 012 054	360	W Avenue 26 #312	5205 012 104	360	W Avenue 26 #138
5205 012 055	360	W Avenue 26 #313	5205 012 105	360	W Avenue 26 #139
5205 012 056	360	W Avenue 26 #314	5205 012 106	360	W Avenue 26 #140
5205 012 057	360	W Avenue 26 #315	5205 012 107	360	W Avenue 26 #141
5205 012 058	360	W Avenue 26 #316	5205 012 108	360	W Avenue 26 #142
5205 012 059	360	W Avenue 26 #317	5205 012 109	360	W Avenue 26 #143
5205 012 060	360	W Avenue 26 #318	5205 012 110	360	W Avenue 26 #224
5205 012 061	360	W Avenue 26 #319	5205 012 111	360	W Avenue 26 #225
5205 012 062	360	W Avenue 26 #320	5205 012 113	360	W Avenue 26 #227
5205 012 063	360	W Avenue 26 #321	5205 012 114	360	W Avenue 26 #228
5205 012 064	360	W Avenue 26 #322	5205 012 115	360	W Avenue 26 #229
5205 012 065	360	W Avenue 26 #323	5205 012 116	360	W Avenue 26 #230
5205 012 066	360	W Avenue 26 #400	5205 012 117	360	W Avenue 26 #231
5205 012 067	360	W Avenue 26 #401	5205 012 118	360	W Avenue 26 #232
5205 012 068	360	W Avenue 26 #402	5205 012 119	360	W Avenue 26 #233
5205 012 069	360	W Avenue 26 #403	5205 012 120	360	W Avenue 26 #234
5205 012 070	360	W Avenue 26 #404	5205 012 121	360	W Avenue 26 #235
5205 012 071	360	W Avenue 26 #405	5205 012 122	360	W Avenue 26 #236
5205 012 072	360	W Avenue 26 #406	5205 012 123	360	W Avenue 26 #237
5205 012 073	360	W Avenue 26 #407	5205 012 124	360	W Avenue 26 #240
5205 012 074	360	W Avenue 26 #408	5205 012 125	360	W Avenue 26 #243
5205 012 075	360	W Avenue 26 #409	5205 012 126	360	W Avenue 26 #244
5205 012 076	360	W Avenue 26 #410	5205 012 127	360	W Avenue 26 #245
5205 012 077	360	W Avenue 26 #411	5205 012 128	360	W Avenue 26 #246
5205 012 078	360	W Avenue 26 #412	5205 012 129	360	W Avenue 26 #324
5205 012 079	360	W Avenue 26 #413	5205 012 130	360	W Avenue 26 #325
5205 012 080	360	W Avenue 26 #414	5205 012 131	360	W Avenue 26 #326
5205 012 081	360	W Avenue 26 #414	5205 012 132	360	W Avenue 26 #327
5205 012 082	360	W Avenue 26 #416	5205 012 133	360	W Avenue 26 #328
5205 012 083	360	W Avenue 26 #417	5205 012 134	360	W Avenue 26 #329
5205 012 084	360	W Avenue 26 #418	5205 012 135	360	W Avenue 26 #330
5205 012 085	360	W Avenue 26 #419	5205 012 136	360	W Avenue 26 #331
5205 012 086	360	W Avenue 26 #420	5205 012 137	360	W Avenue 26 #332
5205 012 087	360	W Avenue 26 #421	5205 012 138	360	W Avenue 26 #333
5205 012 088	360	W Avenue 26 #422	5205 012 139	360	W Avenue 26 #334
5205 012 089	360	W Avenue 26 #423	5205 012 140	360	W Avenue 26 #335
5205 012 090	360	W Avenue 26 #124	5205 012 141	360	W Avenue 26 #336

5205 012 142	360	W Avenue 26 #337	5205 012 171	360	W Avenue 26 #443
5205 012 143	360	W Avenue 26 #338	5205 012 172	360	W Avenue 26 #444
5205 012 144	360	W Avenue 26 #339	5205 012 173	360	W Avenue 26 #445
5205 012 145	360	W Avenue 26 #340	5205 012 174	360	W Avenue 26 #446
5205 012 146	360	W Avenue 26 #341	5205 012 175	360	W Avenue 26 #104
5205 012 147	360	W Avenue 26 #342	5205 012 176	360	W Avenue 26 #118
5205 012 148	360	W Avenue 26 #343	5205 012 900		*no Site Address*
5205 012 149	360	W Avenue 26 #344	5205 012 901		*no Site Address*
5205 012 150	360	W Avenue 26 #345	5205 012 904	360	W Avenue 26 #226
5205 012 151	360	W Avenue 26 #346	5205 012 905	360	W Avenue 26 #211
5205 012 152	360	W Avenue 26 #424	5205 013 009	222	N Avenue 23
5205 012 153	360	W Avenue 26 #425	5205 014 001	202	W Avenue 26 #204
5205 012 154	360	W Avenue 26 #426	5205 014 002	206	W Avenue 26
5205 012 155	360	W Avenue 26 #427	5205 014 013	212	W Avenue 26
5205 012 156	360	W Avenue 26 #428	5205 014 014	212	N Avenue 25
5205 012 157	360	W Avenue 26 #429	5205 014 015	206	N Avenue 25
5205 012 158	360	W Avenue 26 #430	5205 014 016	200	N Avenue 25
5205 012 159	360	W Avenue 26 #431	5205 014 017	222	N Avenue 25
5205 012 160	360	W Avenue 26 #432	5205 014 018	230	W Avenue 26
5205 012 161	360	W Avenue 26 #433	5205 014 019	220	W Avenue 26
5205 012 162	360	W Avenue 26 #434	5205 014 020	220	W Avenue 26
5205 012 163	360	W Avenue 26 #435	5205 015 012	2626	Humboldt St
5205 012 164	360	W Avenue 26 #436	5205 015 014	2630	Humboldt St
5205 012 165	360	W Avenue 26 #437	5205 015 015	2636	Humboldt St
5205 012 166	360	W Avenue 26 #438	5205 015 016	2679	Pasadena Ave
5205 012 167	360	W Avenue 26 #439	5205 016 021	3000	Humboldt St
5205 012 168	360	W Avenue 26 #440	5205 017 015	2910	Humboldt St
5205 012 169	360	W Avenue 26 #441	5205 017 028	2910	Humboldt St
5205 012 170	360	W Avenue 26 #442			

SECTION 3

LINCOLN HEIGHTS INDUSTRIAL ZONE BUSINESS IMPROVEMENT DISTRICT AND ACTIVITY PLAN

The summary of the calendar year 2011 operating budget for the renewed and expanded Lincoln Heights Industrial Zone Business Improvement District is provided below. Table 3A shows the total

improvement and activity plan budget for calendar year 2011, which is to be funded totally by property assessments, and is projected to be:

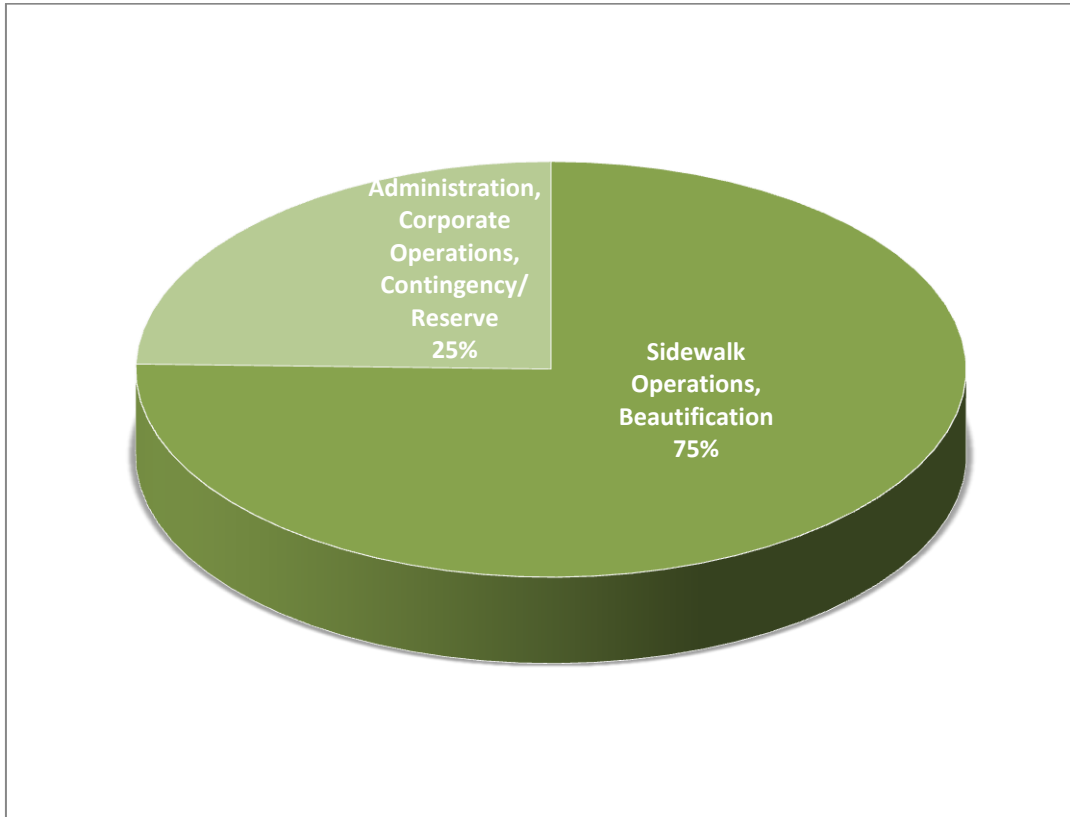


Table 3 – A

Summary of Special Benefit Services by Category
Lincoln Heights Industrial Zone Business Improvement District

Programs	Percent of Annual Budget	Estimated Annual Costs
Sidewalk Operations, Beautification (Security, sidewalk cleaning beautification)	75%	\$55,160.00
Administration/Corporate Operations, Contingency/Reserve	25%	\$18,415.00
TOTAL	100%	\$73,575.00

DIVISION OF SPECIAL BENEFIT SERVICES BY CATEGORY

EXPLANATION OF SPECIAL BENEFIT SERVICE PLAN COMPONENTS BY BENEFIT ZONE

Budget:

There are two basic categories of special benefit services that will be funded with this Lincoln Heights Industrial Zone Business Improvement District BID:

1. *Sidewalk Operations and Beautification:* this includes all special benefit sidewalk cleaning services, graffiti removal, security services and management and beautification;
2. *Administration and Corporate Operations and Contingency*

Various special benefit services are identified which fall within that category. Parcel needs before demand for prioritization of one special benefit need over another, within each category, will occur year by year.

The following category of special benefit services shall only be provided to assessed individual commercially zoned parcels within the renewed and expanded BID.

SIDEWALK OPERATIONS AND BEAUTIFICATION:

\$ 55,160.00 is the estimated costs for these special benefit services for the current district and expansion area for the new Management District Plan. This amount shall provide the following services, Monday through Friday, not including holidays. Since this menu of special benefit services has a ten year track record of real world experience in providing similar services in the sidewalks of the current BID, we have determined that \$53,741.00 would be a sufficient amount to cover the costs of sidewalk maintenance for the needs of the renewed and expanded district for the next ten years.

Examples of these special benefit services and costs are over and above those provided by the City of Los Angeles and include, but are not limited to:

- Private security services; (if needed);
- Regular sidewalk and gutter sweeping
- Enhanced landscaping
- Enhanced trash emptying
- Graffiti removal, within 24 hours as necessary
- Equipment, supplies, tools, Vehicle maintenance and insurance, storage and equipment rental location, general liability insurance
- Maintenance personnel and supervisor oversight costs

The following category of special benefit services shall only be provided to assessed individual commercially zoned parcels within the renewed and expanded BID.

ADMINISTRATION AND CORPORATE OPERATIONS AND CONTINGENCY:

\$ 18,415.00 is the estimated costs for these special benefit services for the renewed and expanded BID.

Examples of these special benefit services and costs are over and above those provided by the City of Los Angeles and include, but are not limited to:

- Staff and administrative costs
- Directors and Officers Insurance
- Office related expenses
- Financial reporting
- Legal and accounting
- Management District Plan renewal
- Delinquencies*
- City Fees**
- Reserves***

Reserve for Slow Payments (Delinquencies)*

Five percent of the budget is held in reserve to offset delinquent and/or slow payment from both public and private assessed 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 District revenue. This line item expense shall be found in the "Contingency/City Fees/Reserve" portion of the budget.

Reserves:***

Reserves are budgeted for those funds that remain from the 5% set aside, that are over and above those that have not been collected and are over and above the city fees. These reserves shall be carried forward from year to year, or may be reallocated to the designated budgetary categories found within the Management District Plan.

The summary of the 2011 operating budget for the renewed and expanded Lincoln Heights Business Improvement District including the ten-year projection, is provided on page 20, Table 3 - c. The table below shows the total improvement and activity plan budget for calendar year 2011, which is to be funded totally by property assessments, and is projected to be:

Cap:

An annual Cost of Living Adjustment shall be allowable in the renewed and expanded BID. As approved by the Board of Directors of the Owner's Association, the management corporation shall have

the option to increase the annual assessment rates based upon the Los Angeles County Consumer Price Index, or an amount not to exceed 5% (five per cent) per year. Any determination of an annual increase will be communicated in writing to the City Clerk's Office in the Annual Planning Report of each year.

Duration: The district shall have a ten-year term which shall commence on January 1, 2011 and expire on December 31, 2020.

FREQUENCY AND COSTS OF SPECIAL BENEFIT SERVICES – SIDEWALK OPERATIONS, BEAUTIFICATION

(THE FOLLOWING SPECIAL BENEFIT SERVICES SHALL BE PROVIDED TO ALL INDIVIDUAL PARCELS IN THE RENEWED AND EXPANDED DISTRICT BASED UPON THE SPECIFIC NEEDS AS DETERMINED BY THE OWNERS ASSOCIATION)

TABLE 3 - B

<i>Special Benefit Service</i>	<i>Frequency</i>	<i>Estimated Annual Cost</i>
Regular sidewalk sweeping	5 days per week	\$ 43,000.00 (one full time employee, working 35 - 40 hours per week at stepped up rate of \$12.00 – \$ 14.00 per hour, which includes all labor costs and benefits)
Enhanced trash emptying	Monday through Friday	See above
Vehicle maintenance, insurance, gas and supplies for sidewalk operations services		\$ 10,741.00/estimated at about \$900 per month
Graffiti removal within 24 hours	As needed	See above

Total Costs for First Year Sidewalk Maintenance **\$ 55,160.00**

<i>Special Benefit Service</i>	<i>Frequency</i>	<i>Estimated Annual Cost</i>
Administration of district – personnel, compliance with City reporting requirements, Board meetings,	As needed	\$ 7,000.00
Directors and Officers and General Liability Insurance	Annually	\$ 4,000.00
CPA, Audit	Annually	\$ 1,500.00
Newsletter, printing, postage, etc.	Annually	\$ 560.00
Delinquencies (5%), City Costs		\$ 4,500.00
Total Costs for First Year – Administration, Delinquency, City Costs		\$ 18,415.00

REALLOCATION OF ANNUAL OPERATING BUDGET:

A projected ten-year operating budget for the renewed and expanded Lincoln Heights Industrial Zone Business Improvement District is provided below. The projections are based upon the following assumptions:

Assessments will be subject to changes in the Los Angeles County Consumer Price Index (CPI), or an amount not to exceed 5% (five percent) per year.

Revenues for specific programs may be reallocated from year-to-year among District activities within a 10% range within each budget line item and may not exceed 10% of the total budget for all program and activities. A ten percent (10%) deviation in a budget

line item will not be considered significant. If deviation in a budget line item exceeds 10%, or if the District decides to make budget allocation changes that exceed 10% of the total budget for all programs, improvements and activities, and such changes could or may adversely impact the benefits received by the assessed property owners in the District, the District will request City Council authorization to modify the programs, improvements and activities to be funded pursuant to City Ordinance #173167. However, in no event may the Owners Association spend more than the total amount budgeted in the Management District Plan for any given year, including delinquent payments, interest income and rollover funds, without City Clerk or City Council approval.

Ten Year Projection of Maximum Assessment for the Renewed and Expanded Lincoln Heights Industrial Zone Business Improvement District

Table 3 – C

	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10
Sidewalk Operations, Beautification	\$55,160.00	\$57,918.00	\$60,813.90	\$63,854.60	\$67,047.32	\$70,399.69	\$73,919.68	\$77,615.66	\$81,496.44	\$85,571.26
Administration/ Corporate Operations, Contingency/Reserve	\$18,415.00	\$19,335.75	\$20,302.54	\$21,317.66	\$22,383.55	\$23,502.72	\$24,677.86	\$25,911.75	\$27,207.34	\$28,567.71
Total	\$73,575.00	\$77,253.75	\$81,116.44	\$85,172.26	\$89,430.87	\$93,902.42	\$98,597.54	\$103,527.41	\$108,703.78	\$114,138.97

Continuation of Budget & Assessments

As per the City Ordinance #173167: Assessments for the maintenance of improvements constructed by the District, if any, shall continue to be levied on each parcel of land within the District for a period of time equal to the useful life of improvement, as determined by the City Clerk, regardless of whether the District is disestablished or the term of the original levy has expired. This budget does not fund any construction of improvements by the District.

The renewed and expanded district shall provide special benefits for the following areas in the following ways:

- 1) Clean and safe services shall provide regular sidewalk sweeping and gutter sweeping services for all commercially zoned properties in the district which will result in a better appearance for

employees, property owners, business owners, residents and visitors alike;

2) Private security, if provided, will provide a greater sense of safety and will help reduce petty crime in the area including car prowls, graffiti, and petty vandalism.

3) Beautification efforts and decorations will create a sense of identity and help in the promotion of the area to increase residential tenancies, commercial, retail and industrial occupancies and portray a much more vibrant and successful industrial neighborhood;

SECTION 4

ASSESSMENT METHODOLOGY

The assessment methodology for the renewed and expanded Lincoln Heights Industrial Zone Business Improvement District uses the following property variables in funding the special benefit assessments: lot size and linear frontage. See Attachment II for the Assessment Engineers Report, which will give a complete analysis of the assessment methodology.

Calculation of Assessments

The proportionate special benefit derived by each identified parcel shall be determined in a relationship to the entirety of the capital cost of an improvement or the maintenance and operation expenses of an improvement or for the cost of property service being provided. Per California Constitutional Amendment Article XIII D, Section 2(i), 'Special Benefit', means a particular and distinct benefit over and above general benefits conferred on a real property located in the district or to the public at large.

All benefits derived from the assessments outlined in the Management District Plan are for specific services directly benefiting the individual parcels within this renewed and expanded district. All activities and improvements are provided solely to properties within the district to enhance the image of the benefiting parcels of the district. All services are delivered within the boundaries and designed only for the direct benefit of the assessed properties in the District. No services will be provided to non-assessed parcels outside of the District. Any

potential spillover effect is unquantifiable as previously mentioned in this report. All general benefits (if any) are intangible and unquantifiable.

The primary special benefit services being funded by this renewed and expanded district will benefit all individual parcels, regardless of their land use, in the same manner. There shall be an equitable distribution of services based upon frequency and type of special benefit service for all parcels, regardless of whether they are industrial, manufacturing, residential, ecumenical or public. These services shall include equal frequency of sidewalk sweeping, graffiti removal, trash can emptying, and minor landscaping and beautification programs which will be distributed five days per week throughout the renewed and expanded district.

Properties which will be assessed have been determined based upon the boundaries determined by the Los Angeles Lincoln Heights Industrial Zone Steering Committee and Stakeholders Group as well as defined on the County Assessor's most current parcel maps. The renewed and expanded district includes parcels that are predominantly, if not completely commercially zoned.

The preceding methodology is applied to the parcel database within the renewed and expanded BID. The process for compiling the property database includes the following steps:

- A report was submitted to the City Clerk's office using the data obtained from the County of Los Angeles Assessor's office. The City Clerk verified the report.
- A list of properties to be included within the Lincoln Heights Industrial Zone Business Improvement District is provided in section 7.

The basis of funding shall be through special benefit assessments levied on real property throughout the district.

Assessments to Fund Special Benefit Services to Individual parcels

The typical assessment method for individual parcels in the renewed and expanded BID will be:

Total Street Frontage X \$1.00 per linear foot

plus

Total Lot Square Footage X \$0.02 per Square Foot

equals

TOTAL PARCEL ASSESSMENT

All parcels, in the renewed and expanded BID will be assessed using the above calculation. The special services for all assessed individual parcels will be delivered Monday through Friday, except on holidays, 52 weeks per year to these individual parcels.

Publicly owned parcels

Publicly owned property will be assessed the same as all other individual parcels.

City, County owned and Los Angeles Unified School District, parcels will benefit from and shall pay for the Sidewalk Operations as well as the Administration/Contingency special benefits in the renewed and expanded Lincoln Heights Industrial Zone BID. The calculation of assessment for publicly owned property in the Lincoln Heights Industrial Zone BID will be assessed as follows:

Total Street Frontage X \$ 1.00 per linear foot

plus

Total Lot Square Footage X \$0.02 per Square Foot

Equals

TOTAL PARCEL ASSESSMENT

Projected Annual Costs for First Year of the Renewed and Expanded

Each special benefit services is funded by a property variable, or combination of property variables in the renewed and expanded BID. Each individual parcel

owner will contribute to all of the special benefit services throughout the whole district, or in the case of Contingency, a debt or non-payment impacting the district as a whole.

The Sidewalk Operations services are funded by:

**100% of the lot size assessments (\$55,160.00)*

The lot size of the commercially zoned assessed individual parcels have been used as the basis of funding the sidewalk operations portion of the budget since these individual parcels have varying and irregular dimensions giving parcels of equal size varying linear frontages, due to their original industrial orientation. This district is not laid out on a traditional street grid, but rather has been bifurcated and significantly altered by two major freeways and the former freight line (now the Gold Line) that ran through the middle of the district. The footprint or lot size of each parcel has been used as the determining factor, (including the lot size which is spread among the various residential condo owners), and has been determined as the most appropriate way in which to fund 75% of the district services. The assessed individual parcels themselves will derive proportional benefit due to their size within the district so therefore, lot size is used to fund the sidewalk operations component of the budget.

The Administration/Contingency Special Benefit Services is funded by:

**100% of the linear frontage assessments (\$18,415.00)*

Linear frontage has been used to fund the special benefits related to the providing of Administrative and Contingency funds due to the fact that linear frontage is not a good indicator of the proportional benefits that will be received by the various individual parcels in the renewed and expanded district. As mentioned above, the division of the district by two major freeways and the rail line have tremendously altered linear frontages giving some major parcels small frontages, however, those larger parcels will derive greater benefit from the sidewalk

operations special benefits relative to smaller parcels. Therefore, linear frontage, as a default property variable, is funding the special benefits that oversee and administer the delivery of sidewalk

operation services to the assessed individual parcels within the renewed and expanded BID.

Amount Generated by Property Variables for the Renewed and Expanded Lincoln Heights Industrial Zone Business Improvement District:

Table 4 – A

<i>Lot Square Frontage Total</i>	<i>Linear Frontage Total</i>	<i>Total</i>
\$55,160.00	\$ 18,415.00	\$ 73,575.00

Table 4 - B

<u>Factor</u>	<u>% of Budget for Property Variable</u>	<u>Annual Cost</u>
Lot Size	(Budget X 75%) 2,758,031 sq ft	\$0.02/sq. ft.
Linear Footage	(Budget X 25%) / 18,415 linear ft.	\$ 1.00/linear ft.

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. The special benefits funded by this renewed and expanded BID will be over and above existing City of Los Angeles baseline service levels to the BID parcels and will serve to increase tenancies, increase commerce, increase economic viability and fund a system of cleanliness and beautification over and above current service levels.

All General Benefits (if any) to the surrounding community and general public are intangible and not able to be quantified. All benefits derived from the assessment outlined in the Management District Plan (MDP) fund only services directly benefiting the individual parcels in this specialized BID in maintenance, security, beautification as well as increased commerce and all the other goals and objectives of the Lincoln Heights BID's purpose.

Properties are assessed as defined on the county assessor's most current parcel maps.

The Calculation of Assessment for each parcel in the renewed and expanded BID is as follows:

**Projected Annual Costs for First Year of the
Lincoln Heights Industrial Zone Business Improvement District**

Table 4 – C

<i>Linear Frontage First Year Annual Costs</i>	<i>Lot Square Footage First Year Annual Costs</i>
\$ 1.00	\$ 0.02

Maximum Assessment

Assessments will be subject to changes in the Los Angeles County Consumer Price Index (CPI), for all urban consumers, annual increases not to exceed 5%

per year. Increases will be determined by the BID Owners’ Association and will vary between 0 and 5% in any given year. The following projections illustrate a potential 5% annual increase.

Maximum Assessments by Property Variable

Table 4 – F

Projected Assessment	FY 1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10
Linear Frontage	\$1.0000	\$1.0500	\$1.1025	\$1.1576	\$1.2155	\$1.2763	\$1.3401	\$1.4071	\$1.4775	\$1.5513
Lot Square Footage	\$0.0200	\$0.0210	\$0.0221	\$0.0232	\$0.0243	\$0.0255	\$0.0268	\$0.0281	\$0.0295	\$0.0310

Budget Adjustments:

Annual budget surpluses, if any, will be rolled into the following year’s budget. Assessments will be set annually, within the constraints of the CPI or land use changes. Revenues from the delinquent accounts may be expended in the year they are received. If the District is not renewed, any remaining funds will be returned to property owners in the proportion by what each property owner paid.

If the BID renews and money is left over from the previous term, the balance of remaining funds will be rolled over into the renewed district. However, the rolled over funds may only be used within the boundaries of the old district. Funds collected from the previous BID term cannot be expended for activities, services, or improvements in the expanded area but may be used to finish renewal activities.

Budget Adjustments

Annual budget surpluses, if any, will be rolled into the following year’s budget.

Time and Manner for Collecting Assessments

As provided by the City of Los Angeles Ordinance #173167, “Division 6 of the Los Angeles Administrative Code, Chapter 9, Section 6.600 to 6.620, the District assessments will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. In addition, for the first calendar year, 2011, the City of Los Angeles may prepare a manual billing to ensure that special benefit services are funded commencing January 1, 2011. Any delinquent assessments not collected will be added to the next annual property tax bill until paid.

Disestablishment

If necessary, the disestablishment procedure is outlined in City of Los Angeles Ordinance #173167, Division 6 of the Los Angeles Administrative Code, Chapter 9, Section 6.619. If the District is dis-established, the balance of remaining special benefit assessments shall be distributed to district property owners based upon the same weight in which they were contributed.

Government Assessments

The Management District Plan assumes that the City of Los Angeles and other government entities will pay assessments for the public property within the boundaries of the District. Article XIII D, Sec 4 of the California Constitution was added in November of 1996 to provide for these payments.

Parcels owned by the City of Los Angeles, the Los Angeles Unified School District and the County of Los Angeles shall receive special benefits, commensurate with the assessments paid into the District. The publicly owned parcels are presumed to benefit in proportion to their assessments equally to the privately owned parcels, consistent with their location within their respective benefit zones.

Governance:

The Owner's Association, as defined by City Ordinance #173167 amending Los Angeles Administrative Code Chapter 9, Sections 6.600 to 6.620 will review the District Budget and policies annually within the limitations of the Management District Plan as defined in Section 6.616 of Chapter 9 of the Administrative Code. Annual and quarterly financial reports will be filed with the City Clerk's office.

An 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 Management District Plan as well as submit recommendations to the City on issues including the annual budget, assessment rate.

An Advisory Board is an entity other than the Owners Association which may contract with the City for administration. City Ordinance requires that an Advisory Board be appointed by the City Council to provide recommendations to Council and that at least one member of the Advisory Board be a business owner who is not a property owner. This entity is not necessarily the same organization which manages the day to day BID services and with whom is contracted to supply financial reports as other contractual obligations.

**Government Owned and Public Parcels in the proposed
Lincoln Heights Industrial Zone Business Improvement District**

Table 4 – I

APN	Legal Owner	Site Address	Assessment	Percent
5205 002 901	L A City	*no Site Address*	\$1,074.90	1.46%
5205 002 902	L A City	*no Site Address*	\$3,286.96	4.47%
5205 003 901	L A City	*no Site Address*	\$1,914.66	2.60%
5205 012 900	L A City	*no Site Address*	\$889.00	1.21%
5205 012 901	L A City	*no Site Address*	\$461.06	0.63%
		Total	\$7,626.58	10.37%
5205 009 900	L A City Dept Of Water & Power	301 W Avenue 26	\$4,199.08	5.71%
5205 009 901	L A City Dept Of Water & Power	*no Site Address*	\$717.84	.98%
5205 010 900	L A City Dept Of Water & Power	*no Site Address*	\$2,757.02	3.75%
5205 010 901	L A City Dept Of Water & Power	2665 Artesian St	\$1,410.96	1.92%
5205 010 902	L A City Dept Of Water & Power	*no Site Address*	\$535.50	0.73%
5205 010 903	L A City Dept Of Water & Power	2633 Artesian St	\$198.00	0.27%
5205 010 904	L A City Dept Of Water & Power	*no Site Address*	\$198.00	0.27%
5205 010 905	L A City Dept Of Water & Power	2633 Artesian St	\$198.00	0.27%
5205 010 906	L A City Dept Of Water & Power	*no Site Address*	\$1,533.50	2.08%
		Total	\$11,747.90	15.97%

SECTION 5

DISTRICT RULES AND REGULATIONS

Pursuant to the City of Los Angeles Ordinance #173167, Division 6 of the Los Angeles Administrative Code, Chapter 9, Section 6.619, a Property Business Improvement District (BID) may establish rules and regulations that uniquely apply to the District. The Lincoln Heights Industrial Zone Business Improvement District has not adopted any

specific rules, every property will pay its proportional share of assessments to fund the special benefits conferred on that specific parcel.

Bonds

The District will not issue any bonds related to any program.

SECTION 6

IMPLEMENTATION TIMETABLE

The Lincoln Heights Industrial Zone Business Improvement District is expected to be renewed and begin implementation of the Management District Plan by January 1, 2011. Pursuant to the City of Los Angeles Ordinance #173167, Division 6 of the Los

Angeles Administrative Code, Chapter 9, Sections 6.600 to 6.620, the Lincoln Heights Industrial Zone Business Improvement District will have a ten-year life beginning January 1, 2011 through December 31, 2020.

SECTION 7

PARCEL NUMBERS OF PROPERTIES INCLUDED

The assessment methodology used is based a single or group of the following property variables: lot size and linear frontage.

The list of parcels in the renewed and expanded Lincoln Heights Industrial Zone Business Improvement District include the following:

APN	Assessment				
5205 002 901	\$1,074.90	5205 006 029	\$163.10	5205 012 022	\$16.70
5205 002 902	\$3,286.96	5205 006 030	\$120.10	5205 012 023	\$16.70
5205 003 006	\$3,088.00	5205 006 053	\$4,587.48	5205 012 024	\$16.70
5205 003 008	\$2,767.18	5205 006 059	\$4,305.86	5205 012 025	\$16.70
5205 003 901	\$1,914.66	5205 009 003	\$2,553.20	5205 012 026	\$16.70
5205 004 003	\$916.98	5205 009 900	\$4,199.08	5205 012 027	\$16.70
5205 004 005	\$135.82	5205 009 901	\$717.84	5205 012 028	\$16.70
5205 004 007	\$754.28	5205 010 002	\$791.54	5205 012 029	\$16.70
5205 004 010	\$2,537.00	5205 010 009	\$123.78	5205 012 030	\$16.70
5205 004 011	\$2,196.60	5205 010 010	\$78.26	5205 012 031	\$16.70
5205 005 005	\$176.58	5205 010 900	\$2,757.02	5205 012 032	\$16.70
5205 005 006	\$101.88	5205 010 901	\$1,410.96	5205 012 033	\$16.70
5205 005 007	\$93.52	5205 010 902	\$535.50	5205 012 034	\$16.70
5205 005 008	\$172.60	5205 010 903	\$198.00	5205 012 036	\$16.70
5205 005 009	\$135.82	5205 010 904	\$198.00	5205 012 037	\$16.70
5205 005 010	\$135.82	5205 010 905	\$198.00	5205 012 038	\$16.70
5205 005 011	\$135.82	5205 010 906	\$1,533.50	5205 012 039	\$16.70
5205 005 012	\$135.82	5205 011 003	\$657.10	5205 012 040	\$16.70
5205 005 013	\$135.82	5205 011 005	\$1,470.80	5205 012 041	\$16.70
5205 005 014	\$135.82	5205 011 006	\$324.36	5205 012 042	\$16.70
5205 005 021	\$135.82	5205 011 008	\$1,018.92	5205 012 043	\$16.70
5205 005 022	\$104.10	5205 011 009	\$202.90	5205 012 044	\$16.70
5205 005 023	\$91.46	5205 011 012	\$2,389.10	5205 012 045	\$16.70
5205 005 024	\$203.74	5205 012 007	\$1,795.52	5205 012 046	\$16.70
5205 005 025	\$135.82	5205 012 008	\$2,252.04	5205 012 047	\$16.70
5205 005 026	\$135.82	5205 012 010	\$16.70	5205 012 048	\$16.70
5205 005 027	\$135.82	5205 012 011	\$16.70	5205 012 049	\$16.70
5205 005 028	\$135.82	5205 012 012	\$16.70	5205 012 050	\$16.70
5205 005 035	\$135.82	5205 012 013	\$16.70	5205 012 051	\$16.70
5205 005 040	\$408.36	5205 012 014	\$16.70	5205 012 052	\$16.70
5205 005 043	\$781.30	5205 012 015	\$16.70	5205 012 053	\$16.70
5205 005 044	\$107.08	5205 012 016	\$16.70	5205 012 054	\$16.70
5205 005 045	\$80.78	5205 012 017	\$16.70	5205 012 055	\$16.70
5205 005 046	\$272.00	5205 012 018	\$16.70	5205 012 056	\$16.70
5205 005 048	\$135.90	5205 012 019	\$16.70	5205 012 057	\$16.70
5205 005 049	\$952.00	5205 012 020	\$16.70	5205 012 058	\$16.70
5205 006 012	\$233.84	5205 012 021	\$16.70	5205 012 059	\$16.70

5205 012 060	\$16.70	5205 012 110	\$16.70	5205 012 161	\$16.70
5205 012 061	\$16.70	5205 012 111	\$16.70	5205 012 162	\$16.70
5205 012 062	\$16.70	5205 012 113	\$16.70	5205 012 163	\$16.70
5205 012 063	\$16.70	5205 012 114	\$16.70	5205 012 164	\$16.70
5205 012 064	\$16.70	5205 012 115	\$16.70	5205 012 165	\$16.70
5205 012 065	\$16.70	5205 012 116	\$16.70	5205 012 166	\$16.70
5205 012 066	\$16.70	5205 012 117	\$16.70	5205 012 167	\$16.70
5205 012 067	\$16.70	5205 012 118	\$16.70	5205 012 168	\$16.70
5205 012 068	\$16.70	5205 012 119	\$16.70	5205 012 169	\$16.70
5205 012 069	\$16.70	5205 012 120	\$16.70	5205 012 170	\$16.70
5205 012 070	\$16.70	5205 012 121	\$16.70	5205 012 171	\$16.70
5205 012 071	\$16.70	5205 012 122	\$16.70	5205 012 172	\$16.70
5205 012 072	\$16.70	5205 012 123	\$16.70	5205 012 173	\$16.70
5205 012 073	\$16.70	5205 012 124	\$16.70	5205 012 174	\$16.70
5205 012 074	\$16.70	5205 012 125	\$16.70	5205 012 175	\$16.70
5205 012 075	\$16.70	5205 012 126	\$16.70	5205 012 176	\$16.70
5205 012 076	\$16.70	5205 012 127	\$16.70	5205 012 900	\$889.00
5205 012 077	\$16.70	5205 012 128	\$16.70	5205 012 901	\$461.06
5205 012 078	\$16.70	5205 012 129	\$16.70	5205 012 904	\$16.70
5205 012 079	\$16.70	5205 012 130	\$16.70	5205 012 905	\$16.70
5205 012 080	\$16.70	5205 012 131	\$16.70	5205 013 009	\$3,190.16
5205 012 081	\$16.70	5205 012 132	\$16.70	5205 014 001	\$292.96
5205 012 082	\$16.70	5205 012 133	\$16.70	5205 014 002	\$169.90
5205 012 083	\$16.70	5205 012 134	\$16.70	5205 014 013	\$356.00
5205 012 084	\$16.70	5205 012 135	\$16.70	5205 014 014	\$167.80
5205 012 085	\$16.70	5205 012 136	\$16.70	5205 014 015	\$171.50
5205 012 086	\$16.70	5205 012 137	\$16.70	5205 014 016	\$292.50
5205 012 087	\$16.70	5205 012 138	\$16.70	5205 014 017	\$509.70
5205 012 088	\$16.70	5205 012 139	\$16.70	5205 014 018	\$1,633.00
5205 012 089	\$16.70	5205 012 140	\$16.70	5205 014 019	\$156.90
5205 012 090	\$16.70	5205 012 141	\$16.70	5205 014 020	\$156.90
5205 012 091	\$16.70	5205 012 142	\$16.70	5205 015 012	\$600.40
5205 012 092	\$16.70	5205 012 143	\$16.70	5205 015 014	\$378.00
5205 012 093	\$16.70	5205 012 144	\$16.70	5205 015 015	\$772.56
5205 012 094	\$16.70	5205 012 145	\$16.70	5205 015 016	\$349.92
5205 012 095	\$16.70	5205 012 146	\$16.70	5205 016 021	\$542.34
5205 012 096	\$16.70	5205 012 147	\$16.70	5205 017 015	\$466.16
5205 012 097	\$16.70	5205 012 148	\$16.70	5205 017 028	\$430.64
5205 012 098	\$16.70	5205 012 149	\$16.70		
5205 012 099	\$16.70	5205 012 150	\$16.70		
5205 012 100	\$16.70	5205 012 151	\$16.70		
5205 012 101	\$16.70	5205 012 152	\$16.70		
5205 012 102	\$16.70	5205 012 153	\$16.70		
5205 012 103	\$16.70	5205 012 154	\$16.70		
5205 012 104	\$16.70	5205 012 155	\$16.70		
5205 012 105	\$16.70	5205 012 156	\$16.70		
5205 012 106	\$16.70	5205 012 157	\$16.70		
5205 012 107	\$16.70	5205 012 158	\$16.70		
5205 012 108	\$16.70	5205 012 159	\$16.70		
5205 012 109	\$16.70	5205 012 160	\$16.70		

ATTACHMENT I

REGISTERED PROFESSIONAL ENGINEER'S REPORT