

**EVALUATION OF HOLLYWOOD/WESTERN 2017 - 2021 PROPERTY BASED  
BUSINESS IMPROVEMENT DISTRICT  
BENEFITS TO MTA**

**Program Benefits**

The proposed BID includes four (4) parcels owned by MTA. The parcels comprise the Hollywood/Western Metro Red Line Station. The combined land area of the four parcels is 55,576 square feet.

The total proposed District budget for the 2017 year of operation is approximately \$772,200.00. Assessments will be subject to annual increases not to exceed 5% each year if implemented. The BID is proposed to improve and convey special benefits to assessed properties located within the District area. The District will provide new improvements and activities, including clean/safe, marketing/communications, and administration of programs designed to meet the goals and mission of the District. The goals of the District are to improve the economic viability of each individual assessed parcel within the District, to increase building occupancy and lease rates, to encourage new business development and attract ancillary businesses and services for parcels within the District.

Through a series of meetings with property owners, the District Steering Committee determined the priority for improvements and activities to be delivered by the business improvement district. The primary needs as determined by the property owners were: clean/safe and communications/marketing. In addition, property owners in Zone 2 determined that they need safety services for their parcels. (MTA parcels are located in Zone 2).

The *Clean and Beautiful Program* will consist of sidewalk sweeping to remove debris and refuse from sidewalks; sidewalk pressure washing; graffiti removal by painting, using solvent and pressure washing; trash collection including collecting stolen shopping carts and large bulky items illegally dumped in the District; landscape maintenance and street tree trimming including weed abatement. The detailed services to be provided by the BID are included in the Hollywood Western Business Improvement District Management District Plan. (Copy of Plan available in departmental files).

The *Safe Team Program* will provide security services for the individual assessed parcels located within Zone 2 of the District in the form of walking and mobile patrols. The purpose of the Safe Team Program is to deter and report illegal activities such as public urination, indecent exposure, trespassing, drinking in public prostitution, illegal panhandling, illegal vending and illegal dumping for individually assessed parcels. The

program will supplement, not replace, other ongoing police, security and patrol efforts within the District.

The *Communication/Marketing Program* will include a Hollywood Western BID Web Site, newsletter, banners/Medallions and image marketing aimed at increasing awareness of the businesses within the district and their individual offerings which attract new customers to the District businesses and provides an increase in commercial activity which directly relates to increases in lease rates and enhanced commerce.

### **Evaluation of Benefit to MTA**

The Guidelines on MTA Participation in Proposed Assessment Districts (“Guidelines”) established general guidelines for determining benefits to MTA properties as outlined below. A list of MTA properties included in the proposed BID is attached, with an indication of the assessment to each parcel. The guidelines requires an analysis of each *new* assessment district service and/or improvement based on whether it improves MTA property or facility, benefit MTA employees, benefit the MTA riding public or reduce costs for the MTA.

Following is the analysis of benefits to MTA from the Hollywood/Western District Business Improvement District based on the Guidelines.

#### **TIER 1 – NO BENEFIT**

- Subsurface easement – Not Applicable
- Aerial easements – Not Applicable
- Right of Way
  - The transit facility in the Hollywood/Western BID area consists of the Metro Red Line Hollywood/Western Station. MTA has ground leased the majority of the station site to Western/Carlton II, L.P., a McCormack Baron Salazar development entity. Under this ground lease, Western Carlton II operates a mixed use project containing 60 affordable apartments and 9,000 square feet of retail space, and is responsible for maintenance of the ground leased premises and the project. The plaza areas leading to the subway portal and the project are not part of the ground leased premises or the project and are maintained by MTA.

#### **TIER 2 – MINOR OR NO POTENTIAL BENEFIT**

- Vacant Land – Not Applicable
- Parking Lots – Not Applicable

### **TIER 3 – MINOR OR SOME POTENTIAL BENEFIT**

- Bus Operating and Maintenance Facility – Not Applicable
- Bus Terminals – Not Applicable
- Customer Service Centers – Not Applicable
- USG Headquarters Building – Not Applicable
- Maintenance Facilities – Not Applicable
- Rail Division – Not Applicable
- Rail Terminus – Not Applicable
- Stations – The Metro Red Line Station is located in the District

### **TIER 4 – ACTUAL BENEFITS**

The Metro Station parcels will receive special benefits from the establishment and services provided by the District. Since MTA's Metro Red Line Station is located in the District, the station property will benefit from programs that work to provide greater pedestrian traffic, an enhanced sense of safety and a positive user experience which increase ridership. The Station area will benefit from the District's Clean and Beautiful program which will create a cleaner and more welcoming environment for customers, patrons, tenants, visitors and employees. The program will improve aesthetic appeal for patrons, visitors and employees of the area by reducing litter and debris which are detractors to commerce and commercial occupancy rates if not contained and properly managed. The safety program is designed to improve security for patrons, visitors and employees of the assessed parcels by reducing crime in the area. All of the programs that will be funded through the BID are designed to improve the conditions of the area and to provide supplemental programs, services and improvements that are not currently provided by the City of Los Angeles.

A large portion of MTA's assessment will be paid by Western/Carlton II, pursuant to their ground lease with MTA. Under the ground lease, Western/Carlton II is obligated to pay all real estate taxes, special assessments and other taxes, levies, and impositions attributable to their project and the ground leased premises. The ground leased premises and the project encumber the bulk of the station site.