Venice Beach Business Improvement District (VB BID) FAQ

What is a Business Improvement District (BID)?

A BID is a public/private partnership in which property and business owners of a defined area elect to make a collective contribution to the maintenance, security and/or marketing and promotion of their district.

BIDs typically provide services such as street, sidewalk and alley cleaning, public safety/ambassador patrols, open space cleaning, communications programs, and advocacy for resources that will benefit the area. The services provided by BIDs are a supplement to the services already provided by the City of Los Angeles.

The Venice Beach BID (VB BID) is a property-based BID, which means that the BID is funded through special assessments collected from the property owners within the defined boundaries of the district. The BID is up for renewal for a new 5-year term (1/1/2022-12/31/2026.) If reauthorized by a vote of the assessed property owners, the VB BID assessment will appear on your property tax bill as a separate line item. This assessment is transferred by the County Assessor to the Los Angeles City Clerk, who then distributes funds to your BID so that they can provide services to you. The City Clerk provides administrative and fiscal oversight for all BIDs. The City Attorney and City Controller also review BID activities.

As a property owner, how do I become involved in the renewal of the BID?

- 1. We encourage you to help us serve you better by completing our brief online survey at: https://bit.ly/2GRfAxl
- 2. Do you know another property owner who isn't familiar with the BID and its services? Introduce us! admin@venicebeachbid.com

BID renewal efforts will also seek your involvement at two formal steps in the process:

- Petition process petitions survey <u>all</u> property owners within the BID boundaries to gauge interest in BID formation. Property owners representing 50% + \$1 of the total District assessments must sign a petition supporting the BID in order to move on to step 2.
- 4. Ballot process ballots are sent to <u>all</u> property owners within the BID boundaries. Property owners may vote "yes" or "no." The City calculates the total assessment for the ballots received. Property owners representing 50% + \$1 of that total must vote "yes" for the BID to be created.

Why are there two steps? Isn't that redundant?

<u>The petition process</u> occurs to show the City that there is widespread interest in renewing the BID before the City expends the time and resources associated with the ballot process. Under state law, a special tax assessment must be put to a vote of those who will pay it. <u>The ballot process</u> is the City's official way of allowing all property owners to participate in a vote-by-mail election. A majority of those who vote must vote "yes."

How long will the BID operate?

If the Venice Beach BID is approved, it will have a 5-year life, after which it must be renewed again by a new vote (petition and ballot) of the district property owners. <u>If renewed this year</u>, services will continue uninterrupted until 12/31/26, unless renewed again by a new vote of the owners. <u>If not renewed this year</u>, all BID services will cease on 12/31/21.

What is the annual BID budget?

\$1,468,376	Safe & Clean Programs	72%
\$183,547	District Identity & Special Projects	9%
<u>\$387,488</u>	Administration & Management	19%
\$2,039,411	Total Annual Budget	100%

How is my assessment calculated?

Your assessment is specific to your property. There are two zones in the Venice Beach BID. Zone 1, which has greater needs, will receive twice the level of clean and safe services as Zone 2.

All properties in **Zone 1** are assessed using this formula: **\$31.9725 per linear foot of frontage + \$0.121275 per square foot of lot + \$0.0882 per square foot of building.**

Zone 1 Frontage	Zone 1 Lot	Zone 1 Building
(per linear foot)	(per square foot)	(per square foot)
\$31.9725	\$0.121275	\$0.0882

Example:

A property owner has a 2,700 SF building on a 4,000 SF lot with 56 linear feet of frontage. The owner's annual assessment would be calculated as follows:

2,700 x \$0.0882/square foot (bldg)	=	\$ 238.14
4,000 x \$0.121275/square foot (lot)	=	\$ 485.10
56 x \$31.9725/linear foot (frontage)	=	<u>\$1,790.46</u>
TOTAL ASSESSMENT	=	\$2,513.70

All properties in **Zone 2** are assessed using this formula: **\$14.50 per linear foot of frontage + \$0.11 per square foot of lot + \$0.08 per square foot of building.**

Zone 2 Frontage	Zone 2 Zone 2 Lot Buildin	
(per linear foot)	(per square foot)	(per square foot)
\$15.98625	\$0.121275	\$0.0882

Example:

A property owner has a 2,700 SF building on a 4,000 SF lot with 56 linear feet of frontage. The owner's annual assessment would be calculated as follows:

2,700 x \$0.0882/square foot (bldg)	=	\$ 238.14
4,000 x \$0.121275/square foot (lot)	=	\$ 485.10
56 x \$15.98625/linear foot (frontage)	=	<u>\$ 895.23</u>
TOTAL ASSESSMENT	=	\$1,618.47

Your exact assessment is listed on your petition. If you are unable to identify your assessment or have questions about it, please contact us: admin@venicebeachbid.com

Can't these services be provided without a BID?

In theory, yes. In practice, it is exceedingly difficult (without a formal mechanism such as a BID) to collect equitable contributions from a large group of property owners and deliver equitable services across a large area. If a BID is formed, every property owner in the BID pays for and receives services - regardless of how they voted.

Where are other BIDs located?

There are approximately 40 BIDs currently operating in the City of Los Angeles. BIDs operate primarily in commercial, industrial and mixed-use areas of the City, including Downtown, Mid-Wilshire, Hollywood, the Westside, the Harbor, South LA and the San Fernando Valley. For more information on BIDs across Los Angeles, please check out the City Clerk BIDs website: <u>clerk.lacity.org/business-improvement-districts</u> and their interactive map of BIDs citywide: <u>clerk.lacity.org/business-improvement-districts</u>.

Who controls the Venice Beach BID?

Each BID forms a Board of Directors comprised of property owners or their official representatives within the BID. The current officers and members of Venice Beach BID Board, as well as current staff, can be viewed at: <u>venicebeachbid.com/people</u>. The Board holds regular, public meetings and authorizes expenditures for services that must be consistent with the Management District Plan (MDP.) Board meeting information can be viewed at: <u>venicebeachbid.com/board-meetings</u>. If you sign up for our mailing list at <u>tinyurl.com/vbbid-mail</u> you will receive all Board meeting notices and 1-2 monthly updates on our activities. As noted previously, the Los Angeles City Clerk, City Attorney and City Controller provide administrative and fiscal oversight for all BIDs. Regular reports, annual financial reviews and periodic audits are required.

Isn't the City responsible for the type of services you describe? Why should I pay for these services ?

BIDs do not replace City services. BIDs provide services above and beyond what the City provides. They provide these clean and safe services more frequently and consistently than the City can provide them, and provide expanded clean and safe services (e.g. weeding, sticker/flyer removal, pressure-washing, walking escorts) as well as communications programs that the City does not provide. It is also important to note that your BID assessment funds services specifically for your property, and it cannot be spent on other areas of the City. BID personnel are located within the BID and can respond in a fraction of the time of most City personnel. In an era where municipal services are increasingly limited, frequently cut or reallocated, and subject to annual budget fluctuations, a BID can provide a consistent level of local service to your property.

<u>What do I do if I did not receive my petition or ballot?</u> <u>How do I receive more information or ask questions about the BID and its renewal</u>?

The petitions and ballots are sent to the mailing address on record with the County Assessor's Office. If you did not receive your petition/ballot, or if you need more information about the BID or its renewal, please contact us: admin@venicebeachbid.com