



**THE  
BID IS  
WORKING  
FOR YOU!**





## LETTER FROM THE CHAIRMAN

The LA Fashion District Business Improvement District (BID) began in 1996 and continues today because property owners can see every day that consistent **Clean & Safe service programs enhance our investments in the community.**

It started simply with sweeping the sidewalks, painting out graffiti tags every night, picking up litter, and patrolling the area to provide a sense of security for buyers, shoppers, employees, employers, and residents. The programs are working.

**Real estate values have more than tripled** since the LA Fashion District Business Improvement District started. New construction and renovations between 2001 and 2006 increased the district's building footage by more than 5 million square feet. We now have a vibrant residential community with hundreds of loft and live/work spaces.



We are on the brink of launching new streetscape projects and moving forward with important initiatives (*see Special Projects section*) while continuing to provide **24-7 Clean & Safe service programs** — the backbone of our mission.

We look forward to continuing the remarkable successes and creating new opportunities in the LA Fashion District.

Sincerely,

**John van den Akker**, Chairman

LA Fashion District BID Board of Directors

## FINANCE

In 2007 the budget for BID programs and services was \$3.9 million. LA Fashion District BID programs and services are funded by the property owners through a special assessment on their property tax bills. All BID budgets are developed by Members of the LA Fashion District BID Board of Directors and based on the needs of the community. Careful revenue management has allowed the BID to reduce assessments for the years 2007, 2008, and assessments proposed for 2009.

Since 1996, our mission continues to focus on providing a clean, safe and friendly place to work, shop and do businesses. The 2007 budget dedicated over 75% of the assessment funds to clean and safe programs to ensure the continued success of our mission.

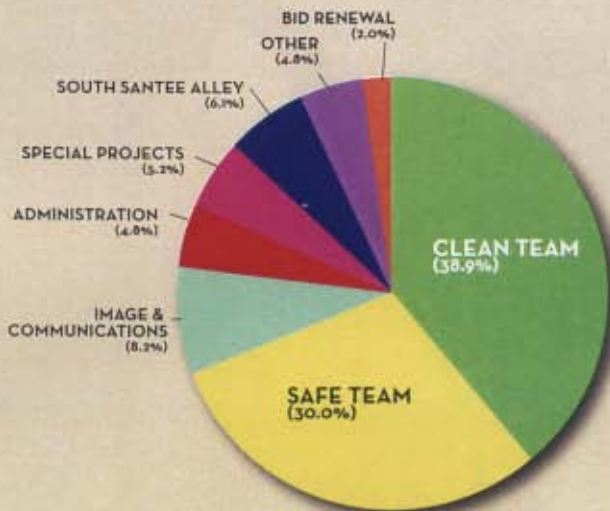
## OPERATIONS

BID Assessments fund Clean & Safe services that maintain the public environment for LA Fashion District businesses, residents, and visitors from down the street and across the globe. We continuously monitor nuisance activities such as graffiti tagging, illegal dumping, and disorderly conduct in public spaces and then develop new strategies to address the challenges.



# DOWNTOWN PROPERTY OWNERS ASSOCIATION SUMMARY OF AUDITED FINANCIAL INFORMATION AS OF DECEMBER 31, 2007

	2007	2006
<b>ASSETS</b>		
Total Current Assets	1,375,596	1,686,089
Net Property & Equipment	155,952	110,974
<b>Total Assets</b>	<b>1,531,548</b>	<b>1,797,063</b>
<b>LIABILITIES &amp; NET ASSETS</b>		
Current Liabilities	184,354	305,117
Net Assets Unrestricted	1,347,194	1,491,946
<b>Total Liabilities &amp; Net Assets</b>	<b>1,531,548</b>	<b>1,797,063</b>
<b>REVENUE</b>		
Assessments	3,103,711	3,006,914
Assessments South Santee - Maple Alley	219,033	212,653
Investment Income	114,393	98,833
Collection of Written-off Assessments LAUSD	-	239,651
Other Revenue	29,389	14,716
<b>Total Revenue</b>	<b>3,466,526</b>	<b>3,572,767</b>
<b>EXPENSES</b>		
Maintenance	1,405,164	1,342,096
Security	1,083,848	1,029,666
Image and Communications	297,894	307,452
Administration	174,868	195,252
Special Projects	186,696	142,931
South Santee - Maple Alley Overlay	219,033	212,653
Other	171,920	173,904
BID Renewal	71,855	-
<b>Total Expenses</b>	<b>3,611,278</b>	<b>3,403,954</b>
<b>NET ASSETS Increase (Decrease)</b>	<b>(144,752)</b>	<b>168,813</b>



Clean Team	38.9%
Safe Team	30.0%
Image and Communications	8.2%
Administration	4.8%
Special Projects	5.2%
South Santee Alley	6.1%
Other	4.8%
BID Renewal	2.0%

\* A complete set of audited Financial statements is available on request.





## PARTNERSHIPS and ADVOCACY

Partnerships with public officials and City Departments are key to the continued success of the LA Fashion District. Assistance and funding from public sources are leveraged to enhance the assessment dollars paid by our property owners.

### 2007 Accomplishments

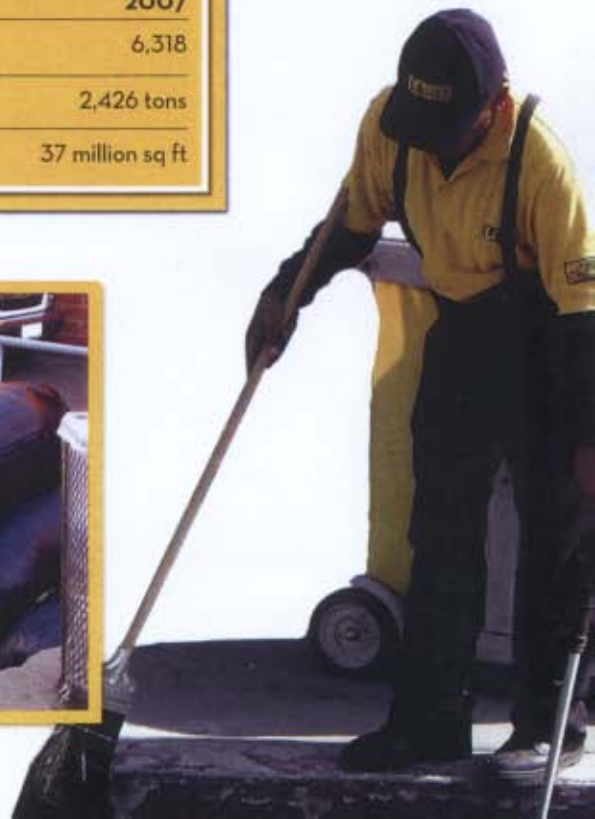
- Congresswoman Lucille Roybal-Allard procured **\$100,000 for a Uniform Parking Signage Project** in the LA Fashion District.
- The LA Fashion District Clean & Safe Teams continue to serve as the "eyes and ears" of the Los Angeles Police Department.
- The BID is working with Councilwoman Jan Perry, District 9, and Councilman Jose Huizar, District 14 on **multiple initiatives including Industrial Land Use**. As a result of the BID's advocacy efforts the LA Fashion District is one of the few exceptions to the new policy proposed by the City Planning Department and Community Redevelopment Agency to preserve industrial land. Approximately ¾ of the land in the current Fashion District boundaries has been designated a "Transition District" or Industrial Mixed Use District to allow mixed use development.
- **Mayor Villaraigosa** appointed Kent Smith, BID Executive Director, to his new **Fashion Advisory Council**.

## CLEAN TEAM

We're "Greening the LA Fashion District" by recycling and encouraging merchants to also recycle their plastics, glass, and cardboard. Recycling efforts have made a difference. **This year we reduced the amount of trash going to the land-fills by 11% (293 Tons) compared to 2006 records.**

### WHAT A DIFFERENCE WE MAKE EVERY DAY!

	2006	2007
Graffiti Tags Removed	8,219	6,318
Trash and Illegal Dumping Removed	2,719 tons	2,426 tons
Sidewalks Scrubbed	32 million sq ft	37 million sq ft.





## SAFE TEAM

The BID records thousands of contacts with merchants, property owners, residents, and the public every year. We launched a new network-integrated record system in 2007 that efficiently tracks thousands of reports/incidents/tasks, increases staff accountability, provides crime control statistics, and improves our ability to develop cost efficient budgets.



Information recorded on Eponic data collection system is transmitted directly to the BID Field Office.

### 2007 Accomplishments

- 84,000 customer service contacts with merchants, shoppers, visitors
- 41,000 location checks for crime prevention

### 2007 Challenges

- Limiting illegal vending of food, products and animals
- Addressing disorderly conduct in public spaces



## SPECIAL PROJECTS

The LA Fashion District works to leverage BID resources with contributions from public / private sources to maximize benefits. During 2007 the BID was successful in procuring funding and launching major infrastructure projects.

- **Storm Drain reconstruction** at Maple Avenue and 11th Street, was completed by the City of Los Angeles in 2007.
- **The Santee Alley Streetscape Improvement Project** launches in 2008 with a \$1.3 million grant award from the Metropolitan Transit Authority and the City of Los Angeles.
- **The LA Fashion District BID was awarded another \$1.6 million** from the Metropolitan Transit Authority and the City of Los Angeles for Phase II of the district Streetscape Improvement Project. This funding will allow us to create pedestrian environment improvements east along 7th Street, south on Los Angeles Street and east on Olympic Blvd to link up with the already approved \$1.3 million Streetscape Phase I project that will surround Santee Alley. Plans are already in place to submit a funding application for a Phase III project to extend the streetscape improvements through the southern part of the district.



Before



After

- **A \$10,000 grant from the Department of PublicWorks** Office of Community Beautification funded Phase 1 of a median streetscape improvement project at 8th Street and San Pedro Street. A \$25,000 grant was procured from the Community Redevelopment Agency of Los Angeles to fund the design work for Phase II of the streetscape improvement project that is planned for 8th Street between Spring Street and San Pedro Street.
- The Community Redevelopment Agency of Los Angeles **hosted graduate students from Notre Dame University's School of Architecture** to create a new vision for the built environment of the LA Fashion District.





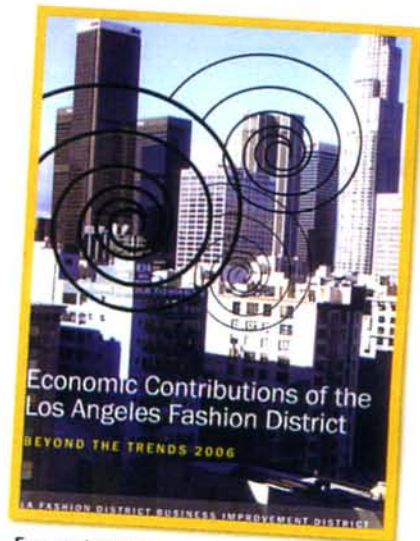
## IMAGE & COMMUNICATIONS

Image, marketing, website, and special events promote the LA Fashion District to local, regional, national, and international markets to bring retail shoppers, wholesale buyers, businesses, and residents to the district.

- 21 million website hits on award-winning [www.fashiondistrict.org](http://www.fashiondistrict.org)
- 440 million media impressions
- \$8 million free advertising leveraged



Mayor Antonio Villaraigosa visited the LA Fashion District in October 2007 during Spring '08 Market Week.



Economic Development Study is attracting national attention to the district.

### urban shopping adventures

The LA Fashion District BID and Urban Shopping Adventures partnered to launch a new "Find Your Fit" tour series

Activity	Price
Promote The Fashion District	3.8
Share the Benefits: Research & Education on the Job	3.29





## **2007 DISTRICT IMPROVEMENT AWARDS**

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Congratulations to the 2007 District Improvement Award winners. New construction and renovations have proved to be an important gauge of confidence in the continued development of the district.

### **New Construction**

A&H Management – 1200 Wall St  
MAC Holdings LLC – 817 S San Pedro St  
MPT Family Partners LLC – 747 E 12th St  
Winstress Limited – 1148 S Crocker St.  
Crocker Fashion – 1188 S Crocker St.  
Jade Enterprises – 827 S. Maple Ave.

### **Adaptive Reuse**

MJW Investments - 716 S Los Angeles St

### **Renovation**

CSC Building Aquisitions – 222 E 16th St  
The City Market of Los Angeles – 1051 S San Pedro St  
DAK Enterprises – 1231 S San Pedro St  
Joannster Corp. – 1142 S Wall St  
MF Building Corp. – 122 E 16th St and 1501 S Santee St  
LA Pico Plaza – 1301 S Los Angeles St  
Farzad Yeshova – 1126 S. Santee St.

## **LEADERSHIP**

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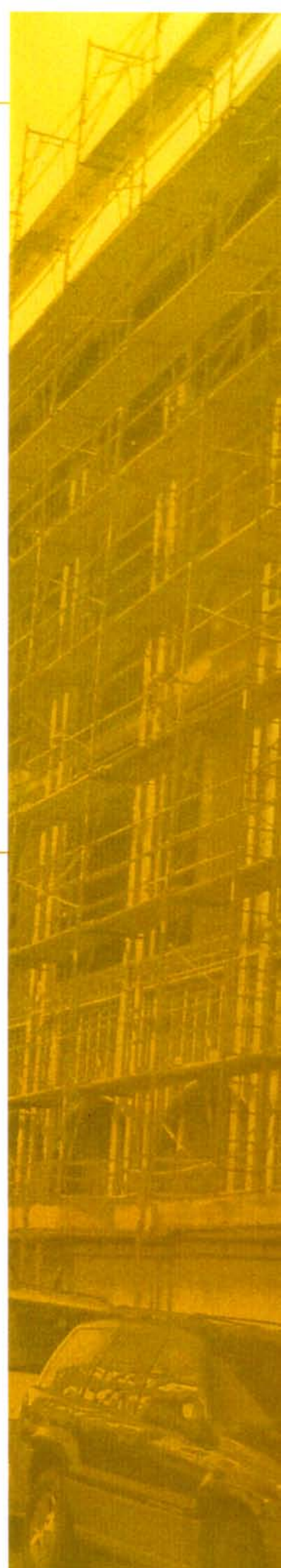
Members of the BID Board of Directors are elected by LA Fashion District property owners in an annual mailed ballot election. Board Members oversee all aspects of finance, operations, image & communications and advocacy/legislative issues that impact the community.

### **2007 Board of Directors**

Laura Aflalo, A & H Management  
Sharen Emrani-Bekhrad, Venice Investments  
Mark Chatoff, MAC Holdings  
Ethan Eller, The New Mart  
Barry Gold, DAK Enterprises  
Steve Hirsh, Cooper Design Space  
Sina Kangavari, KI Group  
John Kim, California Market Center  
Lance Kluger, Maple B K Properties  
Alexander Moradi, ICO Development LLC  
Steve Needleman, ANJAC Fashion Buildings  
Justin Remeny, Remy Leather Fashions  
Laurie Sale, SCS Building Fund  
John van den Akker, 1127 Maple LLC  
Mark Weinstein, MJW Investments

### **STAFF**

Kent Smith, Executive Director  
Joanna Cheatham, Administrative Assistant  
Jose Gonzalez, Finance Manager  
Lynn Myers, Managing Director  
Jacqueline Sanchez, Operations Coordinator  
Randall Tampa, Operations Director





110 East 9th Street Suite A 1175  
Los Angeles, CA 90079  
P (213) 488-1153 F (213) 488-5159  
[www.fashiondistrict.org](http://www.fashiondistrict.org)

