



EXECUTIVE COMMITTEE

DCBID Administrative Offices
600 Wilshire Blvd, Suite 870
Los Angeles, CA 90017

Tuesday, September 27, 2022
11:00 am – 12:00 pm

AGENDA

- | | | | |
|------|--------------------------------------|-----------------|--------|
| I. | CALL TO ORDER | | COTÉ |
| II. | PROPERTY OWNER/PUBLIC COMMENT PERIOD | | COTÉ |
| III. | APPROVAL OF MINUTES: July 19, 2022 | (ACTION) | COTÉ |
| IV. | 2023 STRATEGIC PLANNING | (ACTION) | HOLLEY |
| V. | CEO REPORT | | HOLLEY |
| VI. | NEXT MEETING – <u>TBD</u> | | COTÉ |
| VII. | ADJOURNMENT | | COTÉ |

MEETING MATERIALS ARE AVAILABLE AT 600 WILSHIRE BLVD., SUITE 870. THANK YOU.

Note: In compliance with the Americans with Disabilities Act and its implementing regulations, the DCBID will provide reasonable accommodations upon request, which must be received 24 hours in advance of the desired meeting date. To request such an accommodation, please contact Executive Assistant Kevin Thomas, at 213-416-7534 or kthomas@downtownla.com.

Posted Friday, September 23, 2022



Property Owner/Public Comments on Agenda Items



Minutes



Downtown Center Business Improvement District
EXECUTIVE COMMITTEE of the BOARD OF DIRECTORS

MEETING MINUTES

July 19, 2022

Executive Committee Members Present: Dan Coté, Peklar Pilavjian, Cari Wolk attended in person. Sauli Danpour attended via phone.

Absent: Robert Cushman

Staff: Suzanne Holley

CALL TO ORDER: Mr. Coté called the meeting to order at 1:04 PM.

PROPERTY OWNER/PUBLIC COMMENT ON POSTED AGENDA ITEMS: None.

APPROVAL OF MINUTES: On a motion made by Mr. Cote and seconded by Ms. Wolk, the Committee unanimously approved the minutes for the Executive Committee meeting of December 7, 2021.

LEGAL UPDATE:

RHF Housing: Ms. Holley noted that the case, after being remanded by the California Supreme Court to the Appeals Court, had been scheduled for oral arguments for May 18, 2022. The hearing has since been rescheduled to August 16, 2022.

Rmanii Haynes: Ms. Holley reminded the Committee that this personal injury case has been tendered to and accepted by Allied Universal. Discovery and interrogatories were filed last week. Trial is scheduled for September 22, 2022.

CLOSED SESSION: The meeting entered Closed Session at 1:12 PM. Closed Session ended at 1:26 PM.

REPORT OF ACTION TAKEN AFTER CLOSED SESSION: Mr. Coté noted that:

On a motion made by Mr. Pilavjian and seconded by Ms. Wolk, the Committee approved the renewal of Suzanne Holley's Employment Agreement for a period of 2 years and an award of a one-time mid-year bonus. Not being present in person, Mr. Danpour did not vote.

OLD BUSINESS: None.

NEW BUSINESS: None.

NEXT MEETING: TBD

ADJOURNMENT: The Executive Committee meeting was adjourned at 1:30 PM.



2023 Strategic Planning



Memorandum

To: DCBID Executive Committee
From: Suzanne Holley, President & CEO
Date: September 27, 2022
Re: Strategic Planning

Summary

The Executive Committee is being asked today to make a recommendation to the DCBID Board of Directors to proceed with a strategic planning process. As we attempt to address the ongoing impacts of the pandemic, it is critical that our resources are being used strategically as we experience historically escalating costs. We are fortunate to have a committed and capable board of directors, including several new members, all eager to contribute to the District's success. In order to make the best use of this important resource, it makes sense that we embark upon a methodical approach to ensure that our board is aligned and engaged on our goals and strategies as we begin, in January, the last 5 years of our 10-year term.

Attached is a Request for Proposal (RFP) for Strategic Planning Services which provides detail on the proposed scope and process of this project. It's requested that the Executive Committee review this document and then discuss the following:

Plan Considerations for Discussion

- **Term** – While it is difficult to project the needs of the organization 5 years from now, it is recommended that the term of this plan be 4.5 years – from its adoption anticipated for July 2023 through the end of our current BID term, December 31, 2027. The plan would focus on more specifically actionable goals for the next 3 years with the final phase largely dedicated to ensuring that the planning process is in place for the next renewal.
- **Consultant** - It is recommended that the Board engage a consultant to guide it through this process. This is a time of unprecedented challenges which will likely require creativity and innovation to address. A consultant, particularly one who has expertise with Business Improvement Districts, will be able to give us recommendations drawing from their breadth of experience and BID industry best practices.



DCBID Executive Committee
September 27, 2022
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- **Budget** – Preliminary discussions indicate that costs to engage a consultant would likely be between \$50,000 and \$100,000. Final costs will depend upon the consultant and scope of services. It is recommended that the board be prepared to spend up to \$100,000 but work with the consultant to refine a scope to provide the desired work product and let the final pricing be determined by that. Any expenses can be funded by higher than anticipated additional savings from current year safety staffing vacancies.
- **Steering Committee** – While all Board members will have the opportunity to weigh in on the strategic plan which will ultimately be approved by the Board, it's recommended that the Board designate a Steering Committee to liaise with the consultant on the overall direction and process. To be considered is by what criteria would Steering Committee members be selected and if stakeholders outside of the Board would be invited to participate.
- **Focus Groups / Surveys / Outreach** – To be determined is the scope of outreach to be done in developing the strategic plan. Similar to the Steering Committee, it should be discussed what stakeholder groups would be included in this process.
- Discuss any other questions officers may have on the RFP regarding clarity or recommendations on items that should be included or excluded.

Recommendation

It is recommended that the Executive Committee recommend that the Board approve engaging a consultant to provide a 4.5-year strategic plan at a cost of up to \$100,000 to be completed by July 2023; that the Board designates a Steering Committee to manage this process; and that the Steering Committee begin the process to engage a consultant as soon as practical.



October ____, 2022

Consultant

Dear _____,

Enclosed is a Request for Proposal (RFP) for consulting services to lead the Downtown Center Business Improvement District (DCBID) Board of Directors in creating a 5-year Strategic Plan. The process and plan will result in a clear vision and specific strategies and actions for the organization through the end of its current term, December 31, 2027.

Please confirm your intention to respond to this RFP by _____.

Any questions relative to the RFP may be directed to me at sholley@downtownla.com. Responses will be shared with all companies that have confirmed their intention to respond.

Final submissions for the RFP are due November ____, 2022.

Thank you for your consideration and I look forward to your proposal!

Sincerely,

Suzanne Holley
President & CEO

Encl.



Request for Proposal for Strategic Planning Services

October 2022

Respond to:

Suzanne Holley, President & CEO

sholley@downtownla.com

Downtown Center Business Improvement District

600 Wilshire Blvd., Suite 870

Los Angeles, CA 90017

www.DowntownLA.com

Proposal Due Date:

November ____, 2022

I. Background

The Downtown Center Business Improvement District (DCBID) is a coalition of over 2,000 property owners representing more than 3,200 parcels in 65-square blocks of the central business district of Downtown Los Angeles (DTLA). Founded in 1998, the DCBID has been committed to enhancing the quality of life in the Downtown Center. The DCBID's range of services, from 24/7 safe, clean, and homeless outreach operations, to trademark research and economic development initiatives, marketing programs, and community events, have been instrumental in the Downtown Center's renaissance over the last 24 years from a virtual urban wasteland to a bustling commercial, residential, and cultural hub in the heart of the city.

The DCBID is a 501(c)(6) organization that is governed by a 25-member board of directors, nearly a third of whom have joined the board since the pandemic. The DCBID has a full-time staff of 12 and contracts for over 80 clean, safe, and homeless outreach personnel. Its \$8 million budget is fully funded by District assessments. The District represents the largest concentration of high-rise buildings in DTLA. Of the nearly 70 million assessable square feet within the District, 61% is office, 23% residential, 10% hotels and cultural institutions, and 6% government-owned.

The impact of the pandemic has varied by market sector. Residential lease rates and occupancy, at 94%, exceed pre-pandemic figures. Hotel RevPAR and occupancy have experienced their 5th straight quarter of steady growth and are about 85% of pre-pandemic levels. Retail has experienced closures but openings as well, and while vacant storefronts are evident, overall vacancy, at 6%, and rental rates have remained steady. The largest challenge has been the office market with a return to work of office workers hovering at about 40% of pre-pandemic numbers. Office vacancies, at nearly 15% in 2019, now exceed 20%. The decrease of the large office population, combined with concerns around public safety, are currently having the greatest impact on the economic vitality of the District.

Within this context, there exist significant challenges and opportunities for the DCBID towards achieving success in the future as it tries to balance the demands of its core functions, assume new priorities and initiatives, and keep up with current and emerging downtown management practices. Effective January 1, 2023, the DCBID will commence the last 5 years of a 10-year term. At this critical juncture, the DCBID wants to create a clear and executable Strategic Plan that considers its organizational and governance structures, systems, and strategies in creating a roadmap for future operations and efforts that is sufficient to meet the needs and expectations of its members and stakeholders regarding its role, function, and purpose.

II. Project Objective

The consultant will work with the DCBID Board of Directors, Steering Committee, and staff to produce a Strategic Plan that:

- Identifies, in a format that can easily be communicated to stakeholders and partners, organizational priorities and impactful, achievable, and measurable strategic objectives from the time the plan is approved (scheduled for July 2023) to the end of the BID term, December 31, 2027. It should include a vision, set of goals, and strategies and actions that clearly delineate the resources and partnerships needed to deliver success over the short, medium, and long terms. The final deliverable should be clear, concise, graphical, and user-friendly. It should be crafted as a living document that will be actively utilized and can be revisited and updated annually while outlining the key pillars of focus and longer-term benchmarks of success.
- Recommends decision-making structures for prioritizing future organizational projects so that it can be used as a dynamic planning tool.
- Identifies areas where the organization will (1) take a leadership role and can singularly effect change, (2) seek partners to affect desired outcomes, and (3) defer to other organizations for areas that are out-of-scope.
- Based on a review of the DCBID's board operations and committee structure, recommends changes to ensure that board engagement is most productively utilized.
- Identifies potential new funding sources or vehicles and how they might be accessed and utilized to expand the DCBID's impact.
- Based on global and regional trends, recommends economic development, marketing, and clean and safe initiatives that are responsive to Strategic Plan priorities.
- Includes recommendations based on business improvement district (BID) case studies and best practices with implementation and ongoing management examples.

III. Scope of Work

The consultant will deliver the Strategic Plan described in the Project Objective. The final Scope of Work (with work plan), budget and schedule will be refined upon consultant selection and collaboration with DCBID staff and the Steering Committee. The consultant will:

- Explore and come to an agreement with staff and the Steering Committee on priorities and expectations of what constitutes organizational success based on the Project Objective.
- Work with DCBID staff to finalize a work plan to guide all project activities and communications. The consultant is asked to consider the following activities in developing the final Scope of Work, however, the DCBID will rely upon the consultant's expertise in recommending and prioritizing the activities they consider appropriate to achieve DCBID goals:
 - staff retreat
 - board retreat
 - surveys (online or in person)
 - small focus groups or workshops targeting specific stakeholders which may include groups such as small business owners and residents
 - stakeholder interviews
- Design a process to maximize engagement of select members of the Board, and the staff, in the strategic planning process.
- DCBID background materials to be reviewed for this project include:
 - DowntownLA.com website <https://downtownla.com/the-dcbid/about-us>
 - District Management Plan & City Contract
 - Bylaws
 - Annual Reports <https://downtownla.com/the-dcbid/about-us/annual-reports>
 - DTLA 2022: Outlook & Insights <https://downtownla.com/business/reports-and-research/dtla-2022>
 - Quarterly Market Reports <https://downtownla.com/business/reports-and-research/market-report>
 - Budgets and financial reports as necessary

IV. Timeline

The target is to engage a consultant by the end of November 2022 and complete the new Strategic Plan by July 2023 so that budgeting considerations can be included in the 2024 budget planning process. To the extent feasible, recommendations will be implemented immediately upon board approval of the Strategic Plan in July 2023. The schedule, subject to further refinement, is anticipated as follows:

- Oct 2022 – Steering Committee selected, RFP approved & delivered to consultants
- Nov 2022 – Proposals received, consultant interviews scheduled, & contract awarded
- Dec 2022 – Consultant planning meeting with Steering Committee to refine scope
- Jan – Apr 2023 – Any outreach (surveys, interviews, retreats, focus groups) scheduled
- May – Jun 2023 – Plan drafted and reviewed
- Jul 2023 – Board approval of final Strategic Plan

V. Budget

We anticipate that the level of work necessary for this project can be executed within a budget of \$ _____, subject to further discussion and refinement with DCBID staff.

VI. Submission of Proposals

Proposals should include:

- Firm overview and approach
- Proposed project approach / Scope of Work
- Qualifications
- Team (including staff roles, experience, and qualifications)
- References (at least three organizations similar to the DCBID)
- Proposed initial budget; include line items
- Availability to complete the project within the timeline

Please submit your proposal (via e-mail) or any questions to:

Suzanne Holley

President & CEO

Downtown Center Business Improvement District

600 Wilshire Blvd., Suite 870

Los Angeles, CA 90017

sholley@downtownla.com

Office: (213) 416-7538

Cell: (626) 731-1599



CEO's Report