

LIVE WORK PLAY

Los Angeles Downtown Center Business Improvement District 2004 Annual Report





Dear Downtown Center Business Improvement District Property Owners:

The Downtown Center Business Improvement District has had an unprecedented year of successes and achieved new milestones in leading the renaissance of Downtown Los Angeles. Numerous projects – from a trade mission to New York City to sell Downtown LA to top investors to the dramatic drop in crime in the district – have proven that the DCBID is a continuing catalyst for positive change and growth in Downtown Los Angeles.

Over the past seven years, the DCBID has ensured a safe, clean and friendly Downtown by enhancing services provided by local government. In addition, the DCBID delivers new services and products that local government will never provide. Our Ambassadors, for example, welcome visitors and direct them to their destination. Our Economic Development department visits potential investors and actively recruits new developments and tenants – both residential and commercial – to Downtown. The Marketing department creates and produces quality events that bring thousands of people to Downtown Los Angeles.

Throughout the district, the results from the DCBID's commitment to Downtown Los Angeles are unmistakable. The Purple Patrol fulfilled over 85,000 service calls and provided security and customer service to thousands of Downtown visitors in 2004. The BID A.C.T.I.O.N. team made more than 1,100 contacts with the homeless population and placed over 600 into services. The Economic Development department provided information to and made contact with more than 2,000 residential developers, prospective tenants and lenders in 2004. The Marketing department redesigned the DCBID's website which received more than 1 million hits per month and produced the Grand Avenue Festival that drew 15,000 people to Downtown.

Downtown's growth will only accelerate in 2005! The DCBID has set ambitious goals for 2005 including increasing investment, lowering the crime rate and producing strong events that will continue to make Downtown Los Angeles an inviting and vibrant place to live, work and play.

We encourage you to take a few minutes to review this report. You'll find information about the DCBID's major achievements in 2004, as well as the year-end financial reports. Thank you for your continued support.



Peklar Pilavjian
Chairperson



Carol E. Schatz
President & CEO

OPERATIONS

2004 was another very successful year for the DCBID Operations team. Crime plummeted by 22% in Downtown, with the highest decrease concentrated within the boundaries of the DCBID. The valued relationships we have with the Los Angeles Police Department, Los Angeles Fire Department, Los Angeles Sheriff's Department and Council District #9 help to ensure we keep Downtown safe and clean.

KIOSK CONTACTS

2004 Contacts	18,126
# of Maps	6,692
# of Brochures	35,266
2003 Contacts	16,973
# of Maps	4,305
# of Brochures	26,245



SAFETY PROGRAM

The DCBID handled in excess of 85,000 service calls in 2004, a 70% increase from 2003.

Training for the Purple Patrol Safety Officers included Certified Bicycle Instructor courses, report writing, identifying pirated DVDs, handling bomb threats, identifying gang graffiti and CPR/First Aid.

Deployment strategies included implementing the Senior Lead Officer program that makes one officer responsible for a specific area.

DCBID Safety Officers provided crowd control and other duties to the following:

LA Marathon

LA Triathlon

Olympic Torch Relay

5K and 10K 'Heart of the City'

Fiesta Broadway

Gallery Row Grand Opening

Los Angeles Philharmonic Gala

March of Dimes' WalkAmerica

Saint Patrick's Day Parade

Shakespeare Festival

Grand Performances

Grand Avenue Festival and Taste of Downtown

Annual Hope for Firefighters

Movie Night for Downtown Residents

Giant Village's New Year's Eve Event

Anti-War and Anti-Police Rallies

District Building Evacuations

Union Marches



"Contributions by the DCBID personnel have been immeasurable in helping the community."

Captain James Rubert, Commanding Officer, Central Area, LAPD

“The Sheriff's Department works very closely with the DCBID Security team and LAPD in policing the Metro Red Line and buses. Our successful partnership is greatly enhanced by the consistent enthusiasm and professionalism displayed by the DCBID Security Officers and their management team. We appreciate and respect the teamwork displayed by the security officers.”

Lieutenant Mike Parker, Metro Transit Services Bureau, LASD



RELATIONSHIP WITH LAPD

In 2004, LAPD continued to appreciate the support provided by the DCBID's Purple Patrol and value its partnership with the DCBID. Operations management met regularly with Commander Gray, Captain Carter, Captain Rubert and Captain Chow. The LAPD Anti-Terrorist Task Force specifically requested assistance by the DCBID to organize a meeting with all Downtown stakeholders to update and inform them of the Homeland Security elevated terrorist threats.

COMPUTER AIDED DISPATCH SYSTEM

The use of the CAD system has proven that this major investment is a critical tool for tracking and accounting for the 85,000 calls to the Service Center in 2004. The CAD system's mapping feature allows the DCBID to track and plot each call on district maps to spot emerging trends and quickly create deployment schedules to address every concern.

MAINTENANCE PROGRAM

Maintenance crews removed 103,000 bags of trash from Downtown receptacles during 2004.

Maintenance crews alerted the city's graffiti control contractor to 107 instances of large sized graffiti in the district in 2004. In addition, maintenance crews privately removed 105 instances of smaller graffiti.

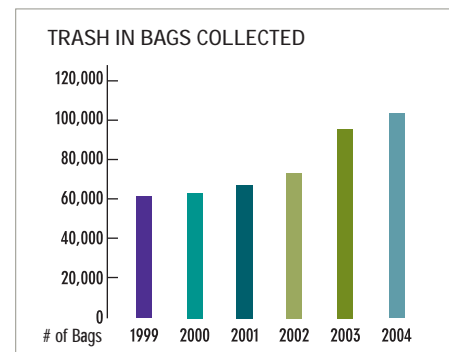
The Maintenance team implemented a new program to identify privately owned dumpsters that are left unlocked or unattended causing trash problems in alleys and streets.

A strong relationship between the DCBID Management and the Bureau of Street Services was developed in 2004 to ensure good communication and an effective working relationship.

Training for the Maintenance team included the identification and disposal of hazardous materials, tool and equipment usage and driving and traffic safety.

The Maintenance team participated in the Adopt-a-Highway cleanup along the freeways and collected over 100 bags of trash in one day.

Two new scrubber machines were purchased in 2004. The older machines were sold to another BID to help defray costs.





BID A.C.T.I.O.N.

The BID A.C.T.I.O.N. team, the DCBID's outreach effort to the homeless population, achieved the following results in 2004:

- 1,183 contacts initiated by BID A.C.T.I.O.N. team
- 660 successful interactions where the BID A.C.T.I.O.N. team provided assistance with health and social services to those in need
- 250 people were assisted at the Community Outreach Fair
- 443 people were assisted who came voluntarily to the Service Center at 801 S. Hill Street

RELATIONSHIP WITH MIDNIGHT MISSION & PATH

The BID A.C.T.I.O.N. team established a stronger relationship with the Midnight Mission's Outreach Program in 2004. The Outreach Program provided additional resources for our team including a Data/Communications Team that provided real-time resource availability information. For more difficult referrals, the team worked closely with People Assisting the Homeless (PATH). PATH has access and knowledge of a wide range of programs available throughout the Los Angeles area.

AMBASSADOR PROGRAM

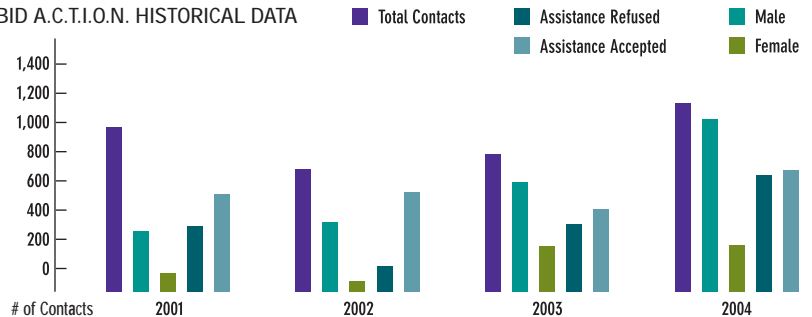
In 2004 the Purple Patrol began to use brand new hand held computers and printers that produce printed walking and driving directions to over 600 locations within the district, as well as popular tourist destinations in Southern California.

Two new kiosks were purchased in 2004. The kiosks were designed for maximum visibility and convenience for visitors.



"The DCBID personnel are doing a great job and are a huge help to the LAPD and the community." Deputy Chief Cayler Lee Carter, Central Bureau, LAPD

BID A.C.T.I.O.N. HISTORICAL DATA





DCBID PROPERTY VALUE INCREASE

YEAR	TOTAL ASSESSED DCBID VALUE
1997	\$4,211,364,587
1998	\$4,480,598,392
1999	\$4,838,421,305
2000	\$5,025,431,988
2001	\$5,260,525,694
2002	\$5,544,496,087
2003	\$5,688,391,189
2004	\$6,045,596,904

Percentage Increase in Assessed Value (1997 to 2004) 43.55%

"I cannot thank the DCBID enough for your valuable assistance in providing me with the information and back-up support that enabled me to recommend that the Daily Grill open at the Pegasus Building in Downtown Los Angeles."

Robert T. Chase, Real Estate Representative for the Daily Grill

ECONOMIC DEVELOPMENT

2004 was an extraordinary year for the Economic Development department. At the top of the list of accomplishments was the DCBID's visit to New York City to showcase Downtown Los Angeles to the investment community. It was followed by the commissioning of a comprehensive data report on Downtown and the creation of a first-ever interactive map on the website. On-going tours of Downtown to investors generated interest and resulted in many deals. The DCBID continued to be known as the #1 source for information about Downtown Los Angeles.

HOUSING

Housing in Downtown Los Angeles is now a phenomenon! Residential developers continue to think outside the box and convert traditional office buildings into condos, carve out neighborhoods in previously untouched areas and look for new ways to keep up with the feverish demand for quality, distinctive housing.

In 2004 1.5 million square feet of space was slated for conversion from office space to condos. Over 4,000 for-sale units were in the pipeline with another 6,000 rental units scheduled to be completed within the next two to three years. In 2004 a one-bedroom condo sold for \$415 per square foot, compared to just \$235 in 2002.

OFFICE

Downtown's office market was served well by the residential and cultural growth in 2004. Additional retail amenities aimed at Downtown residents also appealed to office tenants. Direct vacancy fell from 15.8% in 2003 to 15.0% in 2004. Bunker Hill dipped below the 10% vacancy mark for the first time in 15 years to 9.6%.

Significant leasing activity in 2004 included Jones Day law firm leasing 163,680 square feet at City National Bank Plaza and The Capital Group Company leasing 106,000 square feet at 400 South Hope Street.

Building sales broke more records in 2004 with Trizec Properties' purchase of the Bank of America Plaza for \$435 million. Other transactions included Commonwealth Partners' purchase of the 777 Tower for \$250 million and the purchase of 1000 Wilshire Boulevard by Beacon Capital Partners for \$116 million.

RETAIL

Several new restaurants signed deals in 2004 and will open in 2005. Roy's Hawaiian Fusion Cuisine took 6,000 square feet at 8th and Figueroa and the Daily Grill space at 6th and Flower is 6,700 square feet. In addition, a new nightclub, the Golden Gopher, opened in 2004 on 8th Street between Olive and Hill. Named by Los Angeles Magazine as one of the top 10 bars in Los Angeles, the Golden Gopher has quickly become a popular destination.

CONDO SALES (2000 - 2004)

PRODUCT TYPE	YEAR	AVERAGE PRICE PSF	% INCREASE
Studio	2004	\$471.79	74.5%
	2000	\$270.33	
1BR	2004	\$415.44	135.5%
	2000	\$176.45	
2BR	2004	\$358.34	112.2%
	2000	\$168.90	
3BR	2004	\$339.35	87.4%
	2000	\$181.11	



"The DCBID is clearly a major force in the remarkable revitalization that is now occurring in Downtown Los Angeles, and it was instrumental in the return of our company to Downtown. More specifically, the DCBID's staff was directly helpful to us in our purchase of the 800 Wilshire Building. We are proud to support the DCBID and to be a part of its great success."

Wayne Ratkovich, President & CEO, The Ratkovich Company



NEW YORK INVESTOR EVENT

More than 100 of New York's top investors, bankers and developers attended a breakfast meeting in June 2004 in New York City, hosted by the DCBID. They heard Mayor James Hahn, Greg Vilkin, Chief William Bratton, Councilwoman Jan Perry, John Cushman, Eli Broad, Robert Turner and Carol Schatz make presentations about why they should invest in Downtown. The event resulted in major lending institutions funding more than \$50 million in adaptive reuse construction loans and permanent financing in Downtown Los Angeles.

LENDER TOUR

For the second year in a row, the DCBID and the Mayor's Office hosted a Downtown tour in 2004 for over seventy major real estate lenders. The purpose of the tour was to educate the lending community and promote confidence in Downtown residential development.

HOUSING UNITS THAT CAME TO MARKET IN 2004

PROPERTY	NO. OF UNITS
Bartlett Building	139
The City Lofts	36
South Park Lofts	56
Santee Court - Phase 1	165
The Barry Lofts	280
The Piero	225
Tomahawk Building	7
Toy Factory Lofts	119
Far East Building	16
TOTAL	1043

INTERACTIVE MAP

The DCBID website was upgraded to include an interactive map in 2004. Visitors to the website click on office buildings, housing, hotels and landmarks to get contact and leasing information, photographs and web links. The Economic Development department provided all of the data for the interactive map.

DOWNTOWN SATURDAY HOUSING TOURS

More than 1,200 people have participated in the sold-out tours, held twice each month, in 2004. The Saturday Housing bus tours showcase both adaptive reuse and new construction in Downtown and visit five different housing models. Most significantly, approximately 15% of the tour participants have bought or rented units.



INVESTMENT IN DOWNTOWN LOS ANGELES (1999-2004)

PROPERTY TYPE	PROJECT COST TOTAL
Arts & Entertainment	\$42,000,000
Civic & Institutional	\$882,000,000
Club	\$6,500,000
Culture	\$926,000,000
Hotel	\$379,000,000
Mixed-Use	\$3,599,000,000
Office	\$257,000,000
Parking	\$30,000,000
Religious	\$200,500,000
Residential	\$2,329,000,000
Retail	\$2,000,000
Sports	\$1,050,000,000
Telecom	\$60,000,000
Wholesale	\$1,800,000
GRAND TOTAL	\$9,764,800,000

DEMOGRAPHIC AND MARKET STUDY

The Economic Development department commissioned a comprehensive data report on Downtown, including a demographic survey of new residents. The results were fascinating! The median household income for residents was \$90,000, the average commute time for more than 50% of them was less than 15 minutes and 80% rent but would own if more units were available for purchase. The information will be used to recruit more office tenants, residents, restaurants and retailers.

REQUESTS FOR INFORMATION

In 2004 the Economic Development department responded to over 2,400 inquiries for information on Downtown from developers, appraisers, bankers and prospective tenants from around the world, representing a 41% increase in requests over 2003.

"The DCBID was an invaluable resource for us to recruit Roy's Restaurants to open in Downtown Los Angeles. Not only that, but the DCBID has also helped us recruit another major national chain to join the Downtown renaissance. We'll announce this deal soon."

Irwin Hyman, Senior Vice President, NAI Capital Commercial

DOWNTOWN LOS ANGELES HOUSING UNITS

EXISTING HOUSING	AFFORDABLE	MARKET	TOTAL
Existing as of December 31, 1998	8,598	3,571	12,169
Constructed 1999 - Present	434	3,326	3,760
EXISTING SUBTOTAL	9,032	6,897	15,929
UNDER DEVELOPMENT			
Under Construction	233	3,403	3,636
Permitted	98	1,196	1,294
Under Plan Check	37	909	946
Under Consideration 2006-2007	42	2,338	2,380
Under Consideration 2008 and Beyond	0	2,154	2,154
DEVELOPMENT SUBTOTAL	410	10,000	10,410
EXISTING & UNDER DEVELOPMENT GRAND TOTAL	9,442	16,897	26,339

2004 OFFICE BUILDING SALES TRANSACTIONS

BUILDING	BUYER	PRICE PSF
Bank of America Plaza	Trizec Properties	\$305.97
Northwestern Mutual Life Plaza	Pacific Eagle Holdings	\$263.90
777 Tower	CommonWealth Partners	\$248.87
1000 Wilshire	Beacon Capital	\$244.65
Figueroa Tower	Milbank RE Services	\$223.93
Figueroa Plaza	201 North Figueroa Property LLC	\$216.38
Wilshire Bixel Building	Jamison Properties	\$145.91
600 Wilshire	Legacy Partners	\$142.48
Crown Plaza	Crown Capital Fund LLC	\$141.96
L.A. World Trade Center	Jamison Properties	\$139.49
845 S. Figueroa	L & R 845 Figueroa II LLC	\$131.99
800 Wilshire Building	Ratkovich Co.	\$129.36
International Tower	South Park Associates	\$123.79
TOTAL VALUE		\$1,268,900,000

TELEVISION SHOW PRODUCTION

In conjunction with Channel 36, the DCBID produced an exciting 22-minute consumer oriented television show highlighting the Downtown Renaissance. The show aired on Channel 36 as well as Trojan Vision.

OUTREACH PROGRAMS

- Weekly Business Walking Tour program promoted leasing of office/retail space and residential units. Over 225 people participated in the tours in 2004.
- Print ads were placed in the Los Angeles Downtown News, BOMA Office Guide, Urban Land Magazine and Real Estate Forum to promote Downtown and to position the DCBID as a clearinghouse for information.
- Promoted Downtown at trade shows and conferences including:
 - Urban Land Institute (ULI) Conference, Los Angeles Convention Center*
 - International Downtown Association Conference in Houston*

Real Estate Conference Group, Beverly Hills
International Downtown Association Conference in Vancouver
7th Annual CCA Housing Panel
4th Annual CCA Commercial Development Panel

- Conducted special tours of Downtown for:
 - Police Chief William J. Bratton*
 - The Federal Reserve*
 - Residential Developers*
 - Lenders*
 - Investors*
 - Brokers*
 - Los Angeles Commercial Real Estate Association*
- Conducted commercial broker outreach program through e-mail and telephone contacts.
- Hosted a Downtown Residential General Manager Reception.
- Assisted Residential Developers

- Consulted on numerous adaptive reuse and new construction projects, including:

Douglas Building -50 Units
Pacific Electric Building -314 units
Library Court -95 units
LA Lofts at Southpark -128 units
South Park Lofts -56 units
1100 Wilshire -228 units
The Blackstone -82 units
Grand Lofts -66 units
Coulter & Mandel Bldgs. -55 units
Santa Fe Lofts II -103 Units
Alexan Savoy -303 units
Elleven -176 units
Luma -236 units
Santee Court -165 units
Olympic Lofts -78 units

OFFICE VACANCY / RENT TRENDS

YEAR	DIRECT VACANCY	OVERALL VACANCY	DIRECT AVERAGE RENTS
1999	15.6%	18.9%	\$21.84
2000	15.9%	20.9%	\$23.40
2001	12.9%	16.9%	\$24.24
2002	16.4%	19.6%	\$24.72
2003	15.8%	18.9%	\$25.92
2004	15.0%	16.9%	\$25.44

2004 MAJOR OFFICE LEASE TRANSACTIONS

TENANT	SQUARE FEET	LEASE TYPE
SBC Communications	231,428	New
Jones Day	163,680	New
The Capital Group Companies	106,000	New
Buchalter Nemer Fields & Younger	83,994	Expansion
Heller Ehrman White & McAuliffe	77,764	New
Brown, Winfield & Canzoneri	48,104	New
Great American Insurance	47,902	New

MARKETING

Promoting what makes Downtown Los Angeles unique and vibrant, and a place where Angelenos and visitors come to live, work and play was the top goal for the DCBID Marketing department in 2004. A strategic public relations campaign that generated articles and broadcast coverage, monthly advertisements in the Los Angeles Times, lively entertainment such as the Downtown Movie Night, new bright and welcoming pole banners, and informational guides and maps all played a vital role in increasing Downtown's visibility in 2004.



"On behalf of MOCA, I am delighted to thank the DCBID for their dedication and partnership in making the Grand Avenue Festival and Taste of Downtown a success. It was thrilling to see thousands of visitors exploring and experiencing the vitality of Grand Avenue."

Jeremy Strick, Director, Museum of Contemporary Art

POW WOW

The DCBID worked closely with LA INC. The Conventions and Visitors Bureau on planning and implementing the International Pow Wow conference held in Downtown Los Angeles in April. The conference entertained and educated over 5,000 members of the international and domestic travel industry and generated over \$9 million in direct spending. A special press conference was held for the travel media to hear the latest about Downtown. All of the attendees received Downtown maps and information in their registration packet.

DOWNTOWN RESIDENTS MOVIE NIGHT

The Marketing department produced a Movie Night event in September to reach out to Downtown residents to introduce them to the DCBID and all that Downtown has to offer the growing residential population. Over 500 people attended a screening of "The Italian Job" on an outdoor screen in Pershing Square. Prior to the screening, live jazz and salsa music was performed throughout the day. Food and information booths representing over 15 Downtown businesses and cultural venues were also on hand.



PUBLIC SAFETY BBO

The 5th annual Public Safety Appreciation Barbecue was held in Pershing Square in September and drew more than 500 public safety officers and Downtown employees. A \$5,000 donation from the net proceeds was made to the Los Angeles Police Memorial Foundation.

GRAND AVENUE FESTIVAL AND TASTE OF DOWNTOWN

The Grand Avenue Festival and Taste of Downtown attracted more than 12,000 people to Downtown in October. The Taste of Downtown featured 11 of Downtown's premier restaurants selling small portions of their favorite dishes. The day-long event offered free performances and events at several venues including the Cathedral of our Lady of the Angels, Music Center, Walt Disney Concert Hall, Central Library, REDCAT and the DCBID's Grand Avenue Stage. The Museum of Contemporary Art Grand Avenue offered free admission and hosted special programs to celebrate their 25th anniversary.

COMMUNITY OUTREACH FAIR

Working in conjunction with the BID A.C.T.I.O.N team, the Community Outreach Fair provided valuable information regarding benefits, job training and job placement to the homeless community in Pershing Square in October. Over 250 people received much needed health care screenings, clothing and hygiene kits.

HOLIDAY LASER SHOWS

The DCBID and Department of Recreation and Parks co-produced a free holiday weekend event for families in December. The event attracted over 3,000 people and included laser graphics and aerials, snowstorms, music and ice-skating in Pershing Square. Before and after the laser shows, live bands performed on stage including Beatlemania and Sheila E. In addition, a holiday advertising campaign was implemented in November and December and included 15 print ads, 250 radio spots and 10,000 holiday calendars.

"It's exciting to be a part of the DCBID's Marketing Committee and be asked to give input on projects that really make a difference. The new banner program is just one example of how we worked together to make Downtown great!"

Colleen Kareti, General Manager
Hyatt Regency Los Angeles





"Thanks to the DCBID's new PR agency, Communication Works, for pitching our Holiday Etiquette Teas to the news media. We were featured on KABC and sold out our teas!"

Marlene Armas-Zermeno, Public Relations Manager, Millennium Biltmore Hotel

PUBLIC RELATIONS

In 2004, after an extensive search and interview process, the DCBID selected a new Public Relations agency, Communication Works. The firm provides strategic planning, organizes media tours and inquiries, press releases and all other media needs. In 2004, the DCBID received coverage in over 30 publications including the New York Times, Wall St. Journal, Sunset magazine, Daily News, USA Today, National Geographic Traveler, Los Angeles Times, Variety, City Beat, Town and Country Travel magazine and Los Angeles Magazine. International coverage included newspapers in Finland, Canada, Australia and Japan. The DCBID was also featured in 12 television segments both locally and nationally.

WEBSITE

The DCBID's website, www.downtownla.com was refreshed with new graphics, photos and additional categories. A new flash and interactive map was added, as well as an event calendar and search function. Shopping and dining categories were upgraded to include a description along with address and phone numbers for over 800 businesses.

The redesigned website received over 200,000 visits and more than 12,000,000 hits in 2004. Each visit represented an average of 5 page views. The DCBID site was named one of the L.A. Downtown News' "Best Of 2004" websites.

POLE BANNERS

New pole banners were designed and hung throughout Los Angeles in 2004. Six different designs featuring photography were used to promote Downtown living, the Jewelry District, spectacular architecture, world-class culture, dining with a skyline and the DCBID's Purple Patrol. 180 pairs of banners were hung in Downtown, Hollywood, Echo Park, Marina Del Rey, Venice, West Los Angeles, South Bay and Mid-Wilshire.

"Teaming up with the DCBID and American Express to create the "Downtown LA Welcomes You" special offers booklet was an ideal way to leverage our resources and provide visitors to Downtown LA with over 90 terrific savings at restaurants, shops and attractions."

Mark Liberman, President and CEO, LA INC.
The Convention and Visitors Bureau



dine **play** **muse** **shop** **stay** **indulge**

downtown los angeles

Have you seen the Purple Patrol? It's an organized group of Downtown ambassadors. Clad in purple shirts, the friendly team provides directions and helpful assistance to visitors. The Purple Patrol also enhances public safety in partnership with the Los Angeles Police Department.

So much to see

At: MCCA, the Museum of Contemporary Art, discover the pioneering efforts of 40 American artists that shattered traditional notions of art-making and shaped one of the most important art movements. Minimalism. This landmark exhibition, *A Minimal Future? Art as Object, 1958-1968*, is now on view at MCCA opening March 14 and closing August 2.
250 S. Grand Ave.
213.826.8222
www.mcca.org

Japanese American National Museum
 Isamu Noguchi and Modern Japanese Ceramics.
 The exhibition features rarely seen work by one of the greatest artists of the 20th century. Now - May 30, 2004.
 *Hands down, the best museum show in town right now. *Edward Goldman, Arts, Talk, KCRW.
369 E. First St.
213.830.5689
www.janm.org

The FIDM Museum Shop, located on the Los Angeles campus of the Fashion Institute of Design & Merchandising, features original jewelry, one-of-kind accessories, and home decor. Many of these distinctive pieces are designed by FIDM faculty, staff, alumni, and students. The 12th Annual Art of Motion Picture Costume Design Exhibition is currently in the Museum Galleries on view through April 8th.
915 S. Grand Ave.
213.624.1200
www.fidm.edu

April 8
The Verizon 10th Annual Treasures of Los Angeles Staples Center
 The best city events in Los Angeles just got better as Central City Association (CCA) commemorates two milestones - the Verizon 10th Annual Treasures of Los Angeles and CCA's 50th Anniversary - at host sponsor Staples Center by honoring the catalysts of the Downtown Renaissance: The Walt Disney Concert Hall, the Motion Picture Industry, the Housing Conversion Cowboys, and Staples Center.
213.824.1219
www.ccala.org

So much to do

Omni Los Angeles at California Plaza
 Overworked? Need to refresh and recharge? We've got a solution: a *Rest Assured Weekend Getaway* at the Omni Los Angeles at California Plaza. This great package is \$150.00 per night, breakfast and parking included. Call 1-800-TheOmni for reservations. Certain restrictions apply.
251 S. Olive St.
213.617.3300

Calendar of Events

March 7
I.E. WASHINGTON 1811
910.444.8544
www.kamart.com

March 14 - August 2
A MINIMAL FUTURE? ART AS OBJECT 1958-1968
 Museum of Contemporary Art
250 S. Grand Ave.
213.826.8222
www.mcca.org

Now - March 14
MINIMAL FUTURE? ART AS OBJECT 1958-1968
 Dorothy Chandler Pavilion at the Music Center
135 N. Grand Ave.
213.672.6001
www.kamart.com

Now - March 31
WILLIAMS THE CONQUEROR
 Producers and Fine Arts Library at LSC
212.741.1532
www.lsc.edu

Now - April 4
ROBERT ROSENBERG'S PARIS
 I.A. Center Library
830 W. 5th St.
212.741.1532
www.iap.org

Now - April 6
THE ART OF MOTION PICTURE COSTUME DESIGN
 Fashion Institute of Design & Merchandising
915 S. Grand Ave.
213.624.1200
www.fidm.edu

Now - May 6
CHANGING THE WORLD
 I.A. Center Library
830 W. 5th St.
212.741.1532
www.iap.org

Opening
3600 ART, FILM & BAZAR Theater
601 W. 5th St.
213.257.2500
www.retailart.org

Live, Work & Play Downtown LA
downtownla.com
213.624.2146

LOS ANGELES WELCOMES YOU

OVER 90 SPECIAL OFFERS
 from Downtown Merchants, Dining, Shopping, Attractions, Street and Metro Maps.

Guide to Downtown LA

Live, Work & Play Downtown LA

LOS ANGELES TIMES ADVERTISING

The Marketing department produced full-color, half-page ads that appeared in the Los Angeles Times every month and reached 645,000 readers. The campaign's goal continued to be educating consumers on the huge variety of offerings available Downtown. Each ad promoted 20 businesses and organizations, and included a calendar of Downtown events and a description of the Purple Patrol.

GUIDE TO DOWNTOWN LA

The DCBID's retail directory, the Guide to Downtown LA was upgraded in early 2004 to include more than 800 businesses. 100,000 Guides were printed and distributed on brochure stands located in airports and hotels throughout Los Angeles, to conventioners, in welcome bags and on the information kiosks. Over 12,000 Guides were also distributed on campus to USC students. Ad sales helped to defray the cost of printing the Guides.

COUPON BOOK

In conjunction with LA INC. and American Express, the DCBID produced a newly designed Downtown coupon book featuring over 90 Downtown restaurants, shops and attractions. Over 250,000 copies were printed and distributed to conventioners, visitors and meeting planners. Participating businesses reported very strong redemption rates. The 16-month promotion kicked off in April 2004.

WELCOME BAGS

Over 3,600 welcome bags were distributed to new Downtown tenants, residents and conventioners in 2004. The colorful bags were filled with information about Downtown restaurants, hotels, shops and attractions. Maps, DASH and Metro brochures were also included.

"City National Bank employees were thrilled to receive the DCBID Welcome Bags filled to the top with great information about what to do and where to eat in Downtown LA."

Scott Anderson, Vice President
 Training Department, City National Bank

STATEMENT OF FINANCIAL POSITION

For the Year Ended December 31, 2004

ASSETS

Current Assets

Cash and Cash Equivalents	\$1,270,473
Accounts Receivable - Net	76,717
Due from Affiliates	5,931
Prepaid Expenses	22,707

Total Current Assets 1,375,828

Property and Equipment	999,617
Less Accumulated Depreciation	(550,116)

Net Property and Equipment 449,501

Total Assets \$1,825,329

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable and Accrued Expenses	\$464,556
Accrued Payroll	101,811

Total Current Liabilities 566,367

Net Assets 1,258,962

Total Liabilities and Net Assets \$1,825,329

STATEMENT OF ACTIVITY

For the Year Ended December 31, 2004

REVENUES

Assessment Revenue \$4,658,539

Total Revenues \$4,658,539

EXPENSES

Public Safety 1,521,903

Maintenance 972,608

Community Service 121,018

Destination Marketing 984,865

Economic Development 507,914

Special Projects - Operations 115,519

Management and General 602,931

Total Expenses 4,826,758

Net Expense from Operations (168,219)

OTHER INCOME

Program Service Revenue - Net 158,170

Interest Income 18,718

Total Other Income 176,888

Increase in Net Assets 8,669

Net Assets at January 1, 2004 1,250,293

Net Assets at December 31, 2004 \$1,258,962

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2004

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$8,669
Adjustments to reconcile change in net assets to net cash used in operating activities	
Depreciation	144,228
Restricted Cash	165,913
Assessments Receivable	134,147
Accounts Receivable	(15,125)
Prepaid Expenses	7,436
Accounts Payable and accrued expenses	88,672
Accrued Payroll	55,104
Due to Affiliate	(50,222)
Net Cash Used in Operating Activities	538,822

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Equipment	(124,289)
Net Cash Used in Investing Activities	(124,289)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment on Capitalized Lease Obligation	(160,573)
Net Cash Used in Financing Activities	(160,573)
Increase in Cash and Cash Equivalents	253,960

CASH AND CASH EQUIVALENTS (at January 1, 2004)	1,016,513
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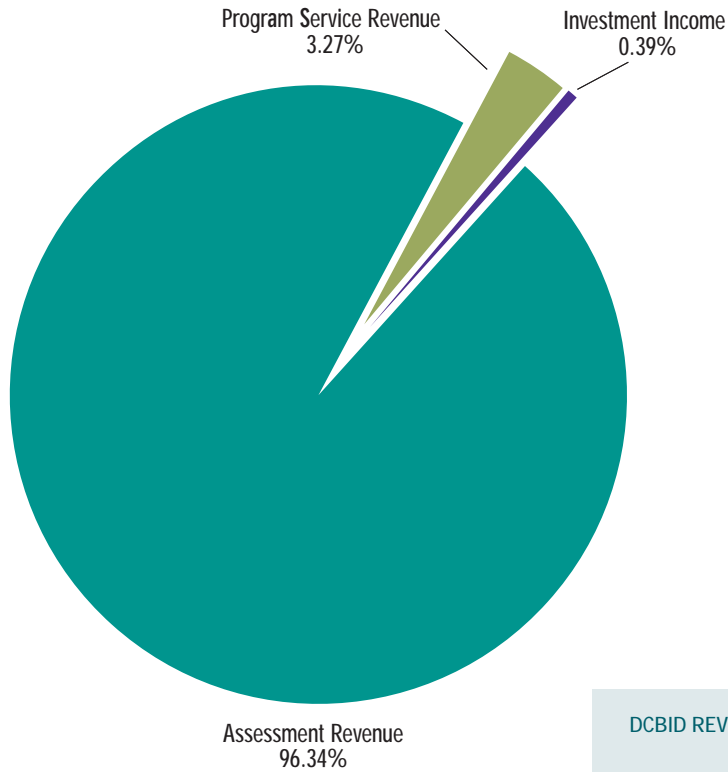
CASH AND CASH EQUIVALENTS (at December 31, 2004)	\$1,270,473
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SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the year for interest	\$8,738
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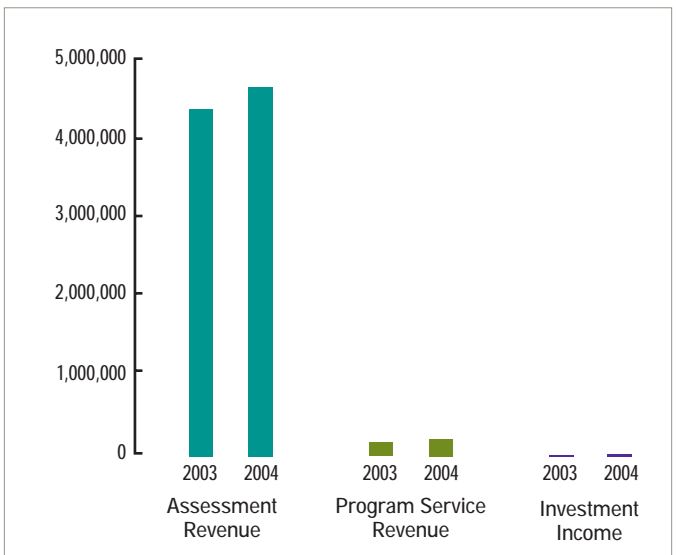
DCBID 2004 REVENUES

2003 - 2004 Comparison



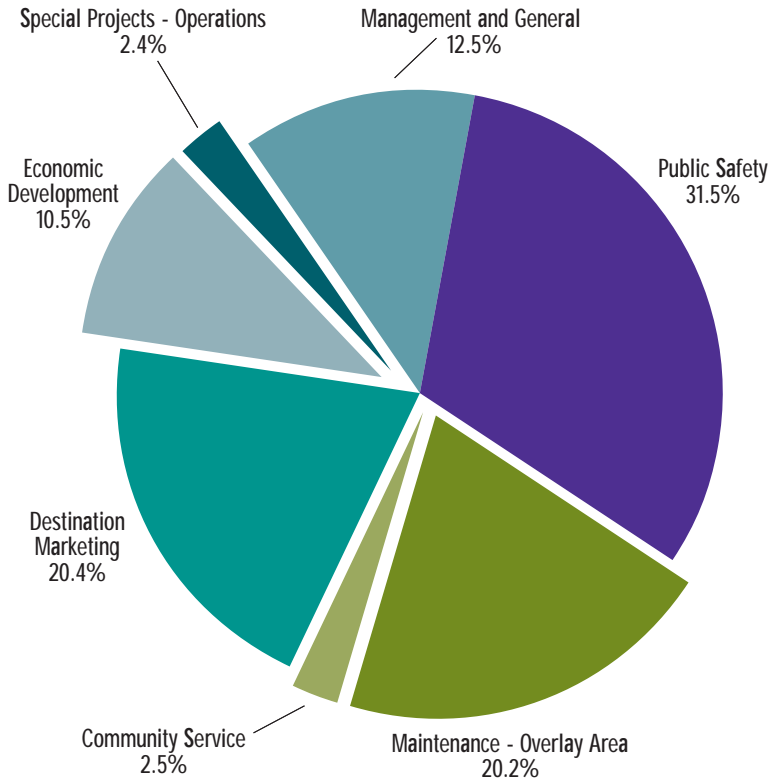
DCBID REVENUES (2003-2004 Comparison)

	2003	2004
Assessment Revenue	4,371,196	4,658,539
Program Service Revenue	122,807	158,170
Investment Income	20,869	18,718



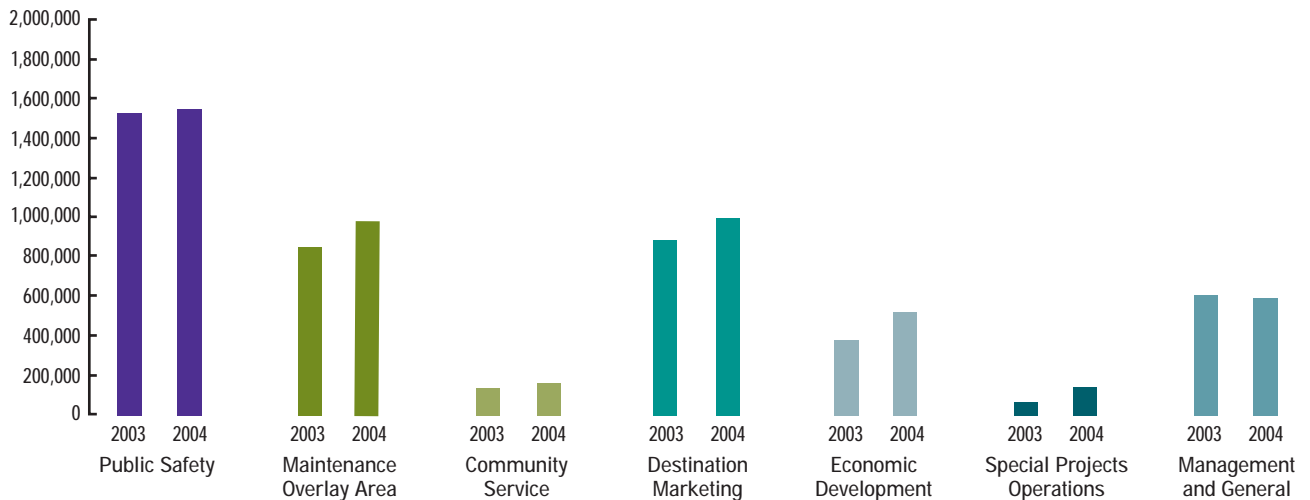
DCBID 2004 EXPENSES

2003 - 2004 Comparison



DCBID PROGRAM EXPENSES (2003-2004 Comparison)

	2003	2004
Public Safety	1,505,355	1,521,903
Maintenance - Overlay	839,724	972,608
Community Service	105,542	121,018
Destination Marketing	871,895	984,865
Economic Development	369,630	507,914
Special Projects - Operations	52,733	115,519
Management and General	606,766	602,931





BOARD OF DIRECTORS

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Trans Western Commercial Services

Robert Bellack
Los Angeles Times

Barbara Bundy
FIDM

A. Bingham Cherrie
USC

John Curthoys
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David Damus, Esq.
L & R Investment Co.

Randall Ely
System Property Development Co.

Steven Hathaway – 2nd Vice Chair
Los Angeles Athletic Club

Colleen Kareti
Hyatt Regency Los Angeles

Patrick Lacey
Trizec Properties

Kit Marchel
Hertz Investment Group

Kelvin Nishikawa
Shuwa Investments Corp.

Tania Norris
Norris Building

Anne Peaks
Yellin Company

Peklar Pilavjian- Chairperson
L.A. United Investment Co.

Kevin Ratner
Forest City Development

Michele Reibel
Maguire Properties

Harry Richter
California Club

Carol E. Schatz
Downtown Center Business Improvement District

Colin Shepherd
Hines

Bernard Sichel
Cushman & Wakefield

John R. Sischo
Thomas Properties Group

David S. Stairs
Legacy Partners Commercial, Inc.

John Vallance – Secretary
City Centre Development

Peter Zen - Treasurer
Westin Bonaventure Hotel & Suites

Beverly Ziegler- 1st Vice Chair
Kawada Company of America

DCBID STAFF

Carol E. Schatz
President & CEO

Carl Clauson
Vice President & CFO

Rosemary Fisher-Anaya
COO

Hal Bastian
Vice President, Director of Economic Development

Mindy Rosen
Director of Marketing and Communications

Chris Antoniadis
Director of Operations

Heidi M. Beeks
Marketing Manager

Herman Pang
MIS Manager

Amy Giang
Accountant

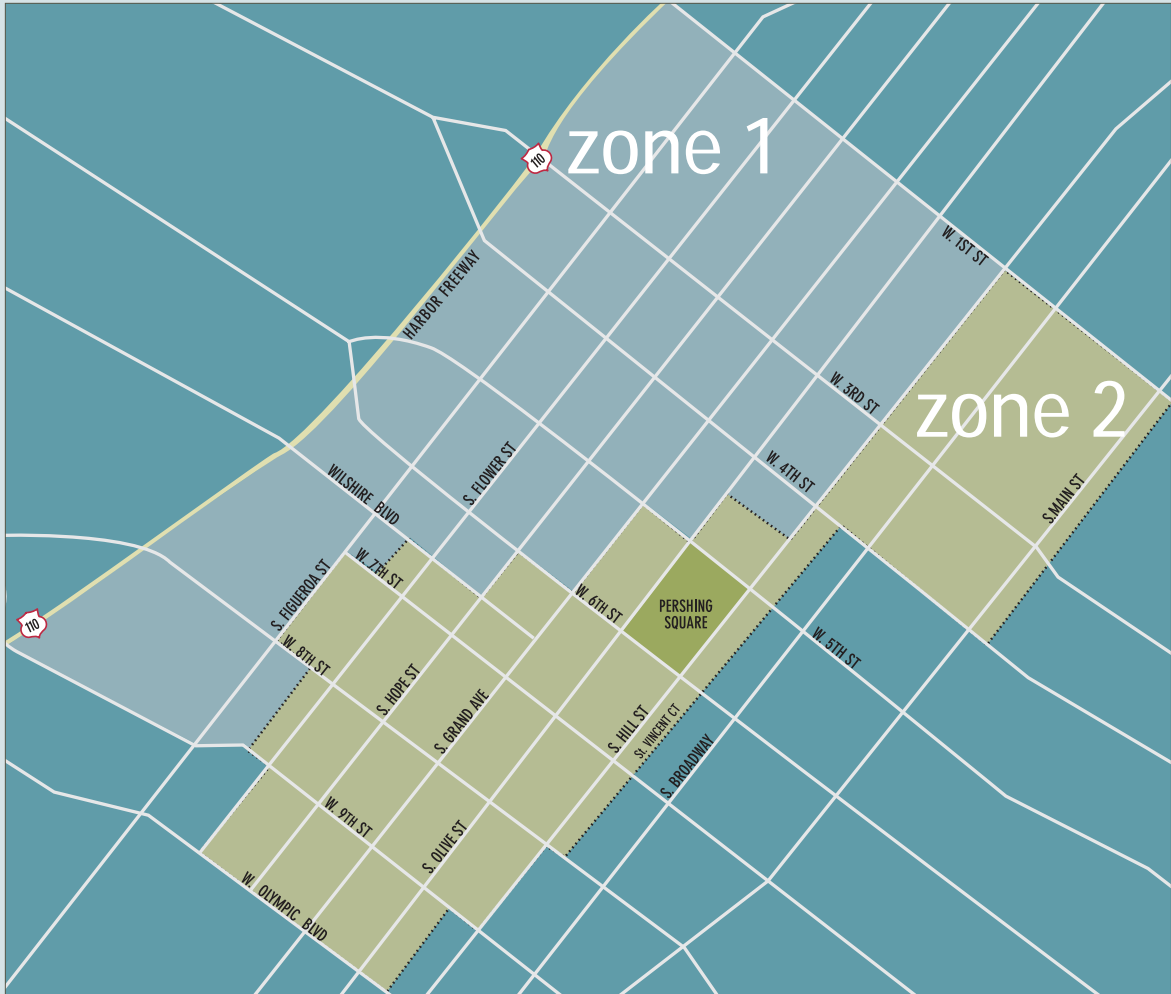
Raquel Taylor
Executive Assistant

Petra Durnin
Economic Development Coordinator

Brigham Yen
Economic Development Associate

Ron Colcol
Supervisor/Maintenance Services

Abraham Torres
Supervisor/Safety Services



ZONE 1

- 1 District – Buildings and Surface Parking Lots (Assessable Sq. Ft. *0.0709)
- 2 District – Lots and Stand Alone Structures (LOT Sq. Ft. *0.0709) + (Parking Sq. Ft. *0.017725)
- 3 District – Lot Only/Parking Structures attached to buildings (LOT Sq. Ft. *0.0709)

ZONE 2

- 1 Overlay – Buildings and Surface Parking Lots (Assessable Sq. Ft. *0.089)
- 2 Overlay – Lots and Stand Alone Structures (LOT Sq. Ft. *0.089) + (Parking Sq. Ft. *0.02225)
- 3 Overlay – Lot Only/Parking Structures attached to buildings (LOT Sq. Ft. *0.089)

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