

# **LINCOLN HEIGHTS BENEFIT ASSN OF LOS ANGELES**

# **ANNUAL REPORT**

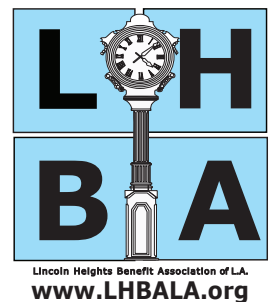
# **2021**



**GREATER LINCOLN HEIGHTS BUSINESS IMPROVEMENT DISTRICT**

**WWW.LHBALA.ORG**

**2718 N. BROADWAY  
LOS ANGELES, CA 90031**



# **VISION**

**LINCOLN HEIGHTS IS  
THE FIRST SUBURB OF  
LOS ANGELES WHERE  
VISITORS CAN ENJOY  
GREAT SHOPPING AND  
UNIQUE CUISINE.**

## LETTER FROM THE PRESIDENT

August 30, 2022

Dear Property Owner,

We are in the process of renewing our Lincoln Heights Benefit Association of Los Angeles (BID) that expires next year. Our BID is so important to our community. We can't afford to have the BID expire without it being extended starting in January of 2024.

The BID is funded by property owners in the BID boundaries of our business corridors in Lincoln Heights. We are now in our 14th year of successfully operating a BID. If we don't actively work to renew the BID, it will sunset in December of 2023. We can't let that happen.

Since COVID-19 happened, there has been a downturn in our economy and crime has spiked. Now, our BID is more important than ever. We just have to support the renewal of the BID.

Recently, the main focus of our BID has been to keep our Business District clean and safe. We have clean-up crews cleaning the business corridors, steam cleaning the sidewalks, removing trash and painting out graffiti. Our security teams help to keep businesses, shoppers and residents safe.

I urge you to vote yes when you receive a ballot to vote for the renewal of our longtime and effective BID.

Any questions, please contact me directly by email at [Steve.Kasten@LHBALA.org](mailto:Steve.Kasten@LHBALA.org) or at my office by phone at (323) 222-3489.

Thank you.

Sincerely,

*Steve Kasten*

Steve Kasten, President  
Lincoln Heights Benefit Association of Los Angeles  
And Property Owner at  
2718 North Broadway  
Los Angeles, CA 90031





## BOARD OF DIRECTORS



Steve Kasten,  
President  
Kasten Properties



Sampson Chan,  
Vice-President  
YAT Corp



Carlton Maese,  
Treasurer/Parliamentarian  
Property Owner



Dave Mandala,  
Secretary  
Property Owner

Not Pictured



Ronnie Rudolph,  
Board Member  
San Antonio Winery

Not Pictured



Misty Iwatsu,  
Executive Director  
Lincoln Heights Benefits Assn.  
of LA

Jason Taban,  
Board Member  
Property Owner



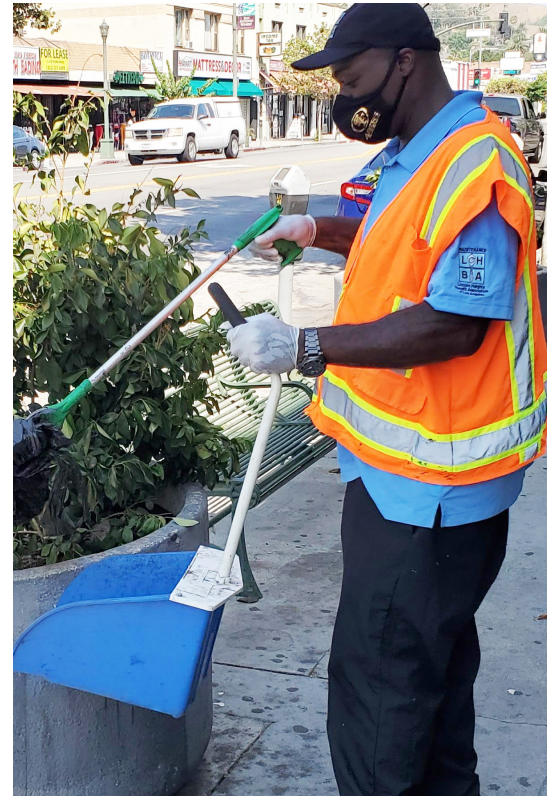
## CLEAN

The Greater Lincoln Heights BID will continue to supplement cleaning and safety services provided by the City of Los Angeles to ensure a maximum possible cleanliness of sidewalks, curbs, and street fixtures within the district boundaries.

The City of Los Angeles provides a minimal set of baseline services for which the majority of the property owners within the district have determined as insufficient for maintaining Lincoln Heights as an shopping and restaurant destination.

The utilization of a daily cleaning program is designed to strive for litter-free sidewalks that are absent of graffiti, debris, and handbill removal. Other services provided are bulky item removal, street pressure washing, greening the trees, plants and shrubs.

The goal is to create a safe and welcoming environment for all to enjoy!! These vital services keep the area clean and safe for all to enjoy. Please renew the Lincoln Heights Business Improvement District.



  
**CHRYSALIS**  
a nonprofit organization **Changing Lives Through Jobs**

### CHRYSALIS WORKS est. 1994

Sanitation and safety standards in this business have always been essential to its successful operation. Last year, face covering requirements and enhanced precautions were utilized by the **423 clients** who provided street maintenance, personal storage, and around-the-clock janitorial services. In 2020, **816 PPE kits** were distributed to workers.

**72,183**  
graffiti tags &  
**7,514** tons of  
trash removed by  
street maintenance  
workers

**40,680**  
meals served &  
**6,360**  
rooms cleaned by  
housekeeping staff

**3,073**  
patrons served  
at our personal  
storage facilities

**Trash  
Removed  
10,598 bags**

**Trash  
Removed  
243,754 lbs.**

**Bulky Items  
Removed  
4,758**

**Graffiti Tags  
Removed  
5,529**

**Pressure  
Washing  
240 hrs.**

**WWW.LHBALA.ORG**



**SAFE**



**Patrol  
Calls  
Service**

**948**

**Public  
Contacts**

**684**

**Patrol Client  
Contacts**

**8089**

**Graffiti  
Reported**

**328**



**Vehicle  
Patrol Hours**

**12,991.57**



**WWW.LHBALA.ORG**



## DISTRICT IDENTITY

Business Improvement Districts worldwide are creating and transforming new economic opportunities, driven by technology, investment, and revitalizing downtown centers to shop, work, and play.

This includes activating public spaces. District identity improvements along with strong, effective activation like the Lincoln Heights Farmers Market have the potential to advance the Lincoln Heights BID objectives and community identity.

Enhancing the pedestrian experience, improving public safety, promoting the Lincoln Heights Benefit Assn of L.A. brand, and spurring reinvestment help create a safe and welcoming environment for Live, Work, and Play activities.

Streetscape improvements projects include:

- Purchase 75 trash receptacles
- Purchase 50 planters
- Signage for planters

Trash receptacles and planters not only add a beautification element to the district sidewalks but keep pedestrians safe from vehicular traffic by acting as a barrier between pedestrians and vehicular traffic. These improvements are possible because of you the property owner, Thank you!! Support the GLHBID renewal.

Let us know what you think. Visit [www.LHBALA.org](http://www.LHBALA.org)



## LHBA Mission Statement

To bring about the revitalization of the Lincoln Heights community

To bring about the investment of private and public capital within the Lincoln Heights community for public benefit and charitable purposes.

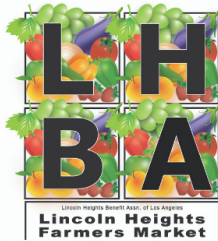
To bring about the increased provision of quality public improvements and educational, cultural, artist, charitable and social services within the Lincoln Heights community for public benefit and charitable purposes.



# LINCOLN HEIGHTS CERTIFIED FARMERS MARKET

**2021  
Sales  
\$60,171**

**Free  
Market  
Match  
\$13,612**



**Yes,  
We're Open**

**and fresher than ever!**

We're committed to serving you.  
Preventive measures are in progress while  
providing you great food from your  
local farmers.



**LHBALA.org**

**2021  
SNAP  
Sales  
\$14,210**

# Lincoln Heights Farmers Market





**N. Broadway  
& Sichel**

**Wednesdays  
3 - 7 pm**



## Lincoln Heights Certified Farmers Market

- Support Local Farmers
- Farm Fresh Produce, Hot & Prepared Foods & local Artisans
- Market Match up to \$10 with your  While supplies last. \$10 for 10 ends 12/31/22
- Face Masks: All individuals must follow the requirements issued by the Los Angeles Dept. of Public Health

 @LHCFM  
 #LincolnHeightsCFM

 LincolnHeightscfm@gmail.com  
 323.437.0203



The Lincoln Heights Certified Farmers Market has been serving the Lincoln Heights community since 2016.

During 2021 with a generous grant from the CA Dept. Of Food & Ag. The Farmers Market was able to Match \$13,612 in Market Match to supplement SNAP /EBT dollars. Helping the community stretch their food dollars. Free COVID-19 testing was also offered

Please support the renewal of the GLHBID to continue to offer these much needed programs to the community.

**FREE  
GRATIS**

**COVID - 19  
TESTING SITE**

**Lincoln Heights  
Farmers Market**

**WEDNESDAYS**

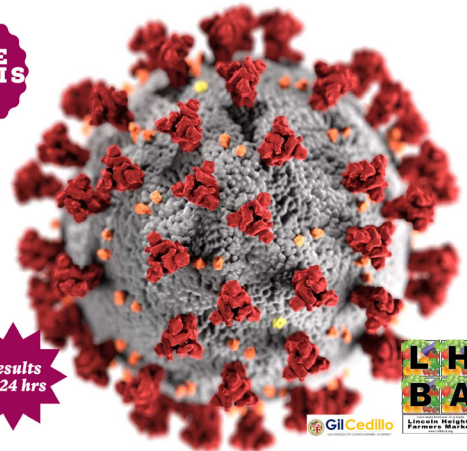
**N. Broadway & Sichel**



Lab in Highland Park

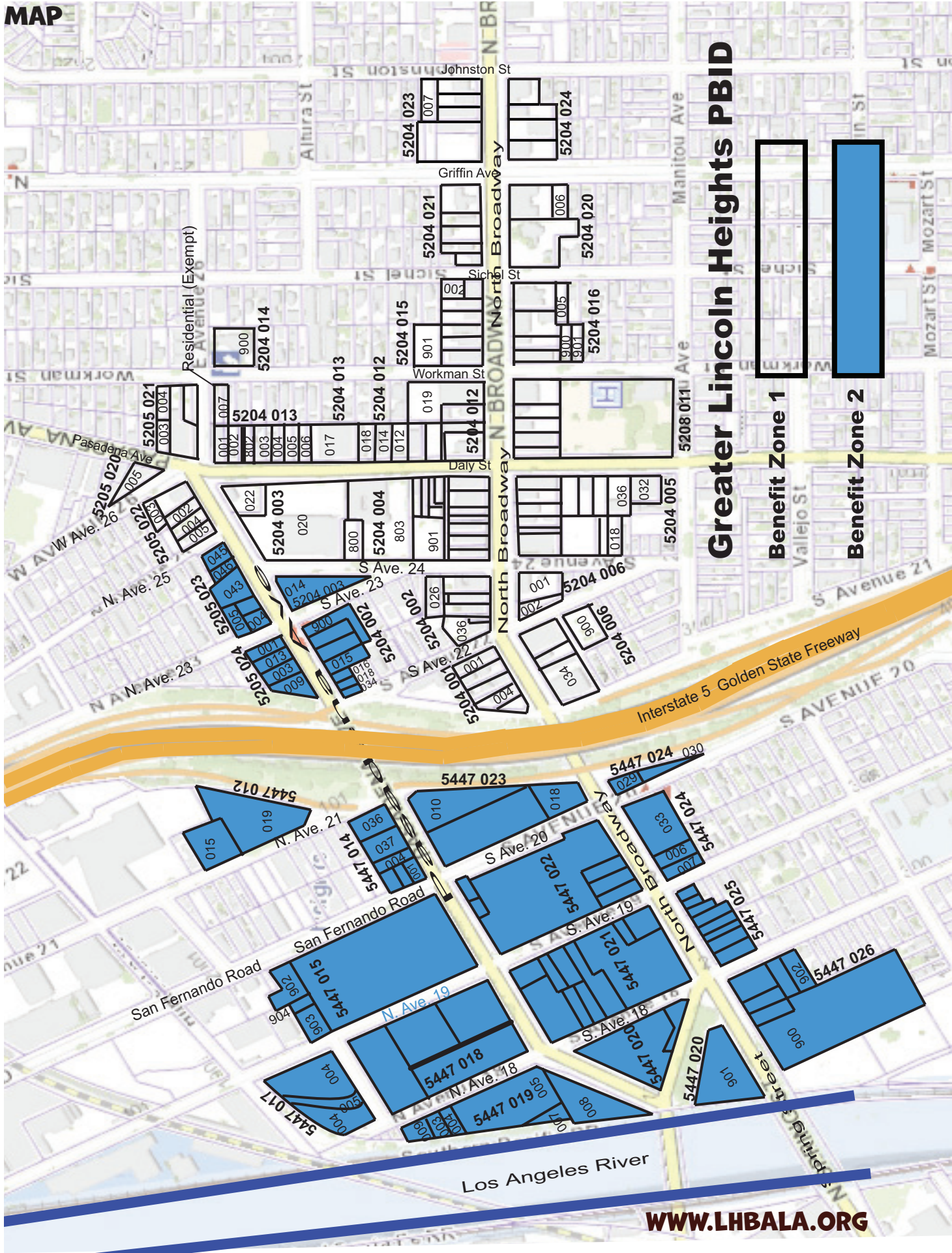
**Results  
in 24 hrs**

**WWW.LHBALA.ORG**





## MAP



**LINCOLN HEIGHTS BENEFIT ASSOCIATION OF LOS ANGELES**

**REVIEWED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**SINAMBAL & REYES**  
*Certified Public Accountants*



# **LINCOLN HEIGHTS BENEFIT ASSOCIATION OF LOS ANGELES**

## **FINANCIAL STATEMENTS DECEMBER 31, 2021**

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## **SINAMBAL & REYES**

*Certified Public Accountants*

2230 W. Chapman Avenue, Suite 106, Orange, CA 92868

Tel. No. (717) 270-7834 Fax No. (657) 216-2074

E-mail: [petersinambal@sinambalreyes-cpas.com](mailto:petersinambal@sinambalreyes-cpas.com)

### **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

To the Board of Directors  
Lincoln Heights Benefit Association of Los Angeles  
Los Angeles, California

We have reviewed the accompanying statement of assets, liabilities, and net assets-cash basis of Lincoln Heights Benefit Association of Los Angeles (a nonprofit organization) as of December 31, 2021, and the related statement of revenues, expenses and changes in net assets-cash basis for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Association's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

#### **Management's Responsibility For The Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting generally accepted in the United States of America; this includes determining that the cash basis accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation, and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

#### **Accountants' Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion .

#### **Accountants' Conclusion**

Based on our review, We are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting.

#### **Basis of Accounting**

We draw attention to Note 3 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

The information included in the accompanying schedule of functional expenses - cash basis, is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of management. We have not audited the supplementary information and we, do not express an opinion or provide any assurance on such supplementary information.

Sinambal & Reyes, CPA's  
July 15, 2022



**LINCOLN HEIGHTS BENEFIT ASSOCIATION OF LOS ANGELES**  
**STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS**  
**DECEMBER 31, 2021**

**ASSETS**

Current Assets	
East West Bank - Disbursements	\$ 76,960
Non-assessed-East West Bank	396,957
East West Bank - General	180,923
Total Assets	<u>\$ 654,840</u>

**LIABILITIES AND NET ASSETS**

Liabilities	\$ -
Net Assets	
Unrestricted	<u>654,840</u>
Total Liabilities and Net Assets	<u>\$ 654,840</u>

See accountants' review report dated July 15, 2022

The Notes to Financial Statements are an integral part of the financial statements.

**LINCOLN HEIGHTS BENEFIT ASSOCIATION OF LOS ANGELES**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**REVENUES**

Assessments	\$ 869,723	
Grants	122,631	
LHCFM Stall Fees & EBT Sales	29,786	
Interests earned	5,042	
Total Revenue and Support		<u>\$ 1,027,182</u>

**EXPENSES**

Sidewalk & Beautification		
Streetscape Programming		313,113
Design Elements-Holiday Décor		-
Total Sidewalk & Beautification		<u>313,113</u>
Sidewalk Operations		
Rent & Utilities		10,488
LHCFM		
Supplies	2,540	
Marketing, Promotion & Ads	1,625	
Permits & licenses	3,633	
Payroll	23,368	
Total LHCFM		31,166
Security	379,731	
Maintenance	408,263	
Total Sidewalk Operations		<u>787,994</u>
Total Sidewalk Operations & Beautification		<u>1,142,761</u>
District ID, Organization & Contingency		
Organization		
Management	79,950	
Bank charges	-	
Professional services	127,988	
Insurance, taxes, licenses	3,329	
Supplies & materials	267	
Total Organization	211,534	211,534
Contingency /City Fee	13,086	13,086
District ID		
Marketing/Advertising/Promotion	7,262	
Postage & Printing	135	
Communication & Outreach	20,679	
Total District ID		28,076
Total District ID, Organization & Contingency		<u>252,696</u>
Total Operating Expenses		<u>1,395,457</u>
Total Non-assessed expenses		<u>23,000</u>
Total Operating and Non-assessed Expenses		<u>1,418,457</u>

**EXCESS (DEFICIT) OF REVENUE AND SUPPORT  
OVER EXPENSES FOR THE YEAR**

(391,275)

**Prior year's adjustment**

351

**NET ASSETS, BEGINNING OF THE YEAR**

1,045,764

**NET ASSETS, END OF YEAR**

\$ 654,840

See accountants' review report dated July 15, 2022

The Notes to Financial Statements are an integral part of the financial statements.



**LINCOLN HEIGHTS BENEFIT ASSOCIATION OF LOS ANGELES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 1 - ORGANIZATION**

Lincoln Heights Benefit Association of Los Angeles (LHBA) is a non-profit public benefit corporation incorporated (on January 6, 2009) in the State of California. It is organized under the Nonprofit Public Benefit Corporation Law of California for public and charitable purposes. LHBA's main purposes are to revitalize the Lincoln Heights Community of Los Angeles, to encourage investments in the community by both the private and public sectors, to cultivate the cultural, artistic and social heritage of the people of the community and to bring about an increased economic well being of its residents, employees and businesses. LHBA was formed under the City of Los Angeles Landscaping, Security, Programming and Maintenance Property Business Improvement District (BID) Ordinance.

**NOTE 2 - REVENUE**

The Association is funded, principally, from its share (as established by the BID ordinance) of taxes assessed on commercial property within the district, by the County of Los Angeles which distributes the assessments collected to the City of Los Angeles who in turn remits them to LHBA. The annual revenues flowing to the district is based upon verified data with the Los Angeles City Clerk's Office.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Financial Statement Presentation**

In order to ensure observance of limitations and restrictions placed on the use of available resources, the accounts of the Association are maintained in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting purposes into accounts established according to their nature and purpose.

Net assets and revenue, gains, expenses and losses are classified as unrestricted, temporarily restricted, and permanently restricted.

- Unrestricted net assets represent the portion of expendable funds that are available for support of the operations of the Association.
- Temporarily restricted net assets consist of contributions that are subject to specific donor-stipulations or that expire by the passage of time.
- Permanently restricted net assets consist of contributions subject to donor-imposed stipulations that they be maintained permanently by the Association.

**LINCOLN HEIGHTS BENEFIT ASSOCIATION OF LOS ANGELES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

Generally, the donors permit the Association to use all or part of the income earned on these assets.

All net assets of the Association are unrestricted.

**Income Taxes**

The Association qualifies as a nonprofit organization under Section 501 (c) (3) of the Internal Revenue Code and Section 23701 of the California Revenue and Taxation Code and is not subject to income tax.

**Use of Estimates in the Preparation of Financial Statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts. These estimates are based on information available as of the date of and period covered by the financial statements, therefore, actual results could differ from these estimates.

**Basis of Accounting**

The Association's policy is to prepare its financial statements on the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

**NOTE 4 – CASH IN BANK**

At December 31, 2021 and at various times during the fiscal year, the Association's cash in bank balances exceeded the Federally insured limits. It is management's opinion, however, that the solvency of the bank is not of particular concern at this time.

## **SUPPLEMENTARY INFORMATION**

**LINCOLN HEIGHTS BENEFIT ASSOCIATION OF LOS ANGELES**  
**SCHEDULE OF FUNCTIONAL EXPENSES - CASH BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Program</u>	<u>Management and General</u>	<u>Total</u>
LHB Certified Farmers' Market Expenses	\$ 31,166	\$ -	\$ 31,166
City contingent fee	13,086		13,086
Holiday decoration			-
Streetscape programming	313,113		313,113
Insurance, taxes & licenses		3,329	3,329
Marketing and promotion	7,262		7,262
Management fee	39,975	39,975	79,950
Postage and printing	-	135	135
Non-assessed expenses		23,000	23,000
Professional fees	63,994	63,994	127,988
Supplies & materials		267	267
Telephone/communication	10,340	10,339	20,679
District maintenance	408,263		408,263
District security	379,731		379,731
Rent & Utilities	5,244	5,244	10,488
	<u>5,244</u>	<u>5,244</u>	<u>10,488</u>
Total	<u>\$ 1,272,174</u>	<u>\$ 146,283</u>	<u>\$ 1,418,457</u>

See accountants' review report dated July 15, 2022

The Notes to Financial Statements are an integral part of the financial statements.