



Metro


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June 29, 2007

TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE 
CHIEF EXECUTIVE OFFICER

FROM: CAROL INGE 
CHIEF PLANNING OFFICER

SUBJECT: REPORT ON BENEFIT ASSESSMENT DISTRICTS AGREEMENTS

ISSUE

This Board Box Item outlines the staff actions taken on Benefit Assessment A1 and A2 Districts cases during **January 2007 through June 2007**. This report is submitted as an informational item. No Board action is required.

BACKGROUND

The Benefit Assessment Districts Program has an established appeals process (adopted on July 11, 1985 and amended by the Board) for owners who have issues regarding the assessment on their property. In most cases, staff and the owners can agree on the proper assessment after reviewing all the relevant information. Written stipulations are then drawn up on properties that have changed their uses to manufacturing, nonprofit, residential hotel and/or vacant due to code, specifying the revised assessment. Properties that involve calculation issues, in most cases, are changed administratively (without stipulations). County Counsel reviews such stipulations before the property owner and the Chief Executive Officer or designee sign an agreement. Attached is a report listing the A1 District and A2 District agreements executed and the properties that had their assessments administratively changed for the period between January 2007 through June 2007 (Attachment 1).

The agreements were executed and staff has notified the Los Angeles County Assessor's Office about the revisions. Each of the property owners was issued a new Joint Consolidated Tax Bill reflecting the revised assessments as a result of the approved agreements.

The revised assessments were made without substantially reducing the amount required to repay the A1 bonded indebtedness. The revised annual assessment for the A1 District during this period is **\$19.6 million**. There were no cases submitted for the A2 District.

NEXT STEPS

The next status update will be issued in January 2008.

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Programming & Policy Analysis

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The following are the agreements executed during the period of January 2007 through June 2007 in which both parties concurred on the revised square footage and reduced assessments.

DISTRICT A1:

1. Case Number A1-008-06 located at 830 South Flower

CIM Market at 9th and Flower LLC requested a revision in the parcel square footage. A County of Los Angeles parcel map indicated a revised parcel. The agreement reduces the property's assessment from \$15,068 to **\$5,980**.

2. Case Number A1-009-06 (no situs address)

CIM Flower LLC requested a revision in the parcel square footage. A County of Los Angeles parcel map indicated a revised parcel. The agreement reduces the property's assessment from \$11,691 to **\$2,273**.

3. Case Numbers A1-010-06, A1-012-06, A1-013-06, and A1-014-06 located at 645 West 9th Street

CIM Market at 9th and Flower LLC requested a revision of the assessment on the grounds that the previous improvement was demolished and that the owners are currently constructing a six-storied apartment complex above ground floor commercial. Therefore, the assessment should be levied on the parcel square footage. A site visit verified that there is a seven-storied improvement under construction. The agreement reduces the properties' assessments from: \$25,285 to **\$12,099** (A1-010-06), \$25,285 to **\$6,453** (A1-012-06), \$25,285 to **\$2,242** (A1-013-06), and \$25,285 to **\$3,117** (A1-014-06).

4. Case Numbers A1-011-06 and A1-015-06 located at 9th and Hope Street

CIM Market at 9th and Flower LLC requested a reduction in the Properties' assessments because the properties are vacant land and assessments need to be levied on the square footage of the parcels. A site visit verified that the properties are vacant land. The agreement reduces the properties' assessments from \$25,285 to **\$3,088** (A1-011-06) and \$25,285 to **\$2,947** (A1-015-06).

5. Case Number A1-016-06 located at 600 South Spring Street

SB Spring LLC requested a reduction of the assessment on the grounds that the building is vacant due to regulatory code due to its conversion to residential units. A site visit verified that the building is vacant undergoing conversion to live/work units. The agreement reduces the property's assessment from \$91,703 to **\$8,182**.