

February 29, 2000



Metropolitan
Transportation
Authority
One Gateway Plaza
Los Angeles, CA
90012-2952

TO: BOARD OF DIRECTORS

FROM: JAMES L. de la LOZA, EXECUTIVE OFFICER
REGIONAL TRANSPORTATION PLANNING &
DEVELOPMENT

SUBJECT: REPORT FOR THE PERIOD
JULY 1999 THROUGH JANUARY 2000 ON
BENEFIT ASSESSMENT DISTRICTS AGREEMENTS

A handwritten signature in black ink, appearing to read 'James L. de la Loza', written over the 'FROM' field of the memo.

ISSUE

This Board Box Item outlines the MTA staff actions taken on Benefit Assessment Districts A1 and A2 cases during July 1999 through January 2000. 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 MTA Board) for owners who regard the assessment on their property to be excessive or incorrect. In most cases, MTA 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 have been incorrectly calculated are changed administratively (without stipulations). The MTA Legal Department reviews such stipulations before the property owner and MTA Chief Executive Officer or designee sign an agreement. Attached is a report listing the agreements executed and a listing of the properties that had their assessments administratively changed for the period between July 1999 through January 2000 (Attachment 1).

All the agreements have been executed and MTA staff has notified the Los Angeles County Assessor's Office about the revisions. The property owners are issued new Joint Consolidated Tax Bills reflecting the revised assessments as a result of the approved agreements.

These revised assessments can be made without substantially reducing the amount required to repay the A1 and A2 Districts bonded indebtedness. The annual assessments during this period were reduced from \$13.86 million to \$13.85 million for District A1 and no adjustment has been made in this reporting period for District A2.

Prepared by: Carol Dedeaux, Transportation Planning Manager III
Benefit Assessment Districts Program

ATTACHMENT 1

The following is a list of the five agreements executed during the period of July 1999 through January 2000 in which all parties concurred on the revised square footage and reduced assessments.

1. Case Number A1-21-98 located at 919 South Grand Avenue

The Fashion Institute of Design and Merchandising (FIDM) requested a reduction in the property's assessment because the improvement was incorrectly calculated. The field survey and review of the building plans substantiated a reduction in the building's square footage. The agreement reduces the property's assessment from \$42,389 to **\$38,522**.

2. Case Number A1-022-98 located at 530 South Main Street

The Famous Hotel, LLC requested an exemption of the property's assessment because the improvement is being rehabilitated into a residential facility. The field survey, the Partnership Agreement for the New Famous Hotel of which Single Room Occupancy (SRO) Housing Corporation is identified as the General Managing Partner; and SRO Housing Corporation's IRS Determination Letter indicating its status as a 501 (c) (3) entity. Verified the property's residential use, the agreement reduces the property's assessment from \$1,208 to **\$0**.

3. Case Number A1-030-98 located 649 North Spring Street

Hing and King Wong requested a reduction in the property's assessment because the improvement is vacant due to regulatory code. A field survey and a copy of the engineering report prepared by Action Design & Construction substantiated that the building is vacant. The agreement reduces the property's assessment on the property from \$2,904 to **\$2,422**.

4. Case Numbers A1-001-99 and A1-002-99 located at 500 and 508 Main Street

Church and Temple Housing requested a reduction in their properties' assessment because the major portion of the improvement is used as a nonprofit facility or residential hotel. A field survey substantiated that the majority of the improvement is used for nonprofit or residential hotel. The agreement reduces the property's assessment from \$3,696 to **\$2,331**.

5. Case Number A1-003-99 located at 213 South Spring Street

New TMC, Inc. requested a reduction in the property's assessment because the parcel square footage was incorrectly calculated. A review of the site plans substantiated a reduction in the parcel's square footage. The agreement reduces the property's assessment from \$19,487 to **\$16,917**.