



**Metro**

Metropolitan Transportation Authority

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July 23, 2004

**TO: BOARD OF DIRECTORS**

**THROUGH: ROGER SNOBLE**   
**CHIEF EXECUTIVE OFFICER**

**FROM: JAMES L. de la LOZA**   
**EXECUTIVE OFFICER, COUNTYWIDE PLANNING & DEVELOPMENT**

**SUBJECT: REPORT ON BENEFIT ASSESSMENT DISTRICTS AGREEMENTS**

### ISSUE

This Board Box Item outlines the MTA staff actions taken on Benefit Assessment Districts A1 and A2 cases during January 2004 through July 2004. 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 have issues regarding the assessment on their property. 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 involve calculation issues, in most cases, 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 A1 District agreement executed and the property that had the assessment administratively changed for the period between January 2004 through July 2004 (Attachment 1). There were no A2 District agreements during this time period.

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

The revised assessments can be made without substantially reducing the amount required to repay the A1 bonded indebtedness. The annual assessment during this period is **\$17.13 million** for District A1.

Benefit Assessment Districts

**NEXT STEPS**

The next status update will be issued in January 2005.

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Programming & Policy Analysis  
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The following is the agreements executed during the period of January 2004 through July 2004 in which both parties concurred on the revised square footage and reduced assessments.

1. Case Number A1-005-02 located at 555 West Cesar Chavez Avenue

Cesar Chavez Gardens Limited Partnership requested a reduction in the Property's assessment because the improvement is residential. A field survey, a valid copy of the residential leases issued by the Chinatown Service Center and an application for Building Permit, and Certification of Occupancy issued to the property owner for 555 W. Cesar Chavez Avenue by the City of Los Angeles, all verify the residential status of the Property. The agreement reduces the Property's assessment from \$6,346 to \$0.

2. Case Number A1-001-03 located at 115 East 3rd Street

St. George Affordable Housing Limited Partnership requested a reduction in the Property's assessment because the property is both owned and used by a non-profit organization. A field survey, Articles of Incorporation that verifies the non-profit status of the Property owner, and Department of Treasury approval of non-profit status document all verify the non-profit status of the owner and Property. The agreement reduces the Property's assessment from \$8,400 to \$0.

3. Case Numbers A1-005-03 and A1-006-03 located at 518 West 7<sup>th</sup> Street and 500 West 7<sup>th</sup> Street

Moussa Peykar and Mary Trust requested a reduction in the Properties' assessments because the improvements are vacant due to regulatory code. A field survey and a copy of the engineering report prepared by Sang Youck Lee, a registered professional engineer, substantiated that the buildings are vacant due to regulatory code. The agreement reduces the Properties' assessments from \$18,318 to \$8,556.