



# Metro

February 13, 2004

**TO:** BOARD OF DIRECTORS

**THROUGH:** ROGER SNOBLE  
CHIEF EXECUTIVE OFFICER

**FROM:** JAMES L. de la LOZA  
EXECUTIVE OFFICER

**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 **August 2003 through January 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 August 2003 through January 2004 (Attachment 1). There were no A2 District agreements during this time period.

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

The revised assessment can be made without substantially reducing the amount required to repay the A1 bonded indebtedness. The annual assessment during this period is **\$17.14 million** for District A1.

## NEXT STEPS

The next status update will be issued in July 2004.

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## ATTACHMENT 1

The following is the agreement executed during the period of August 2003 through January 2004 in which both parties concurred on the revised square footage and reduced assessments.

1. **Case Number A1-017-01 & A1-018-01 located at 612 South Flower Street**

612 Partners LLC requested a reduction in the Properties' assessments because the improvements are residential. A field survey, a valid copy of the residential leases issued by the Pegasus Apartments and an application for Building Permit, and Certification of Occupancy issued August 1, 2002 by the City of Los Angeles, all verify the residential status of the Properties. The agreement reduces the Properties' assessments from \$10,083 to **\$2,566**.