COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles
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Commissioners

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
#28 July 6, 2010
Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

July 6, 2010

Set for Hearing: August 24, 2010 at 9:30 a.m.

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors and Commissioners:

RENEWAL OF THE FLORENCE AVENUE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT IN THE FLORENCE FIRESTONE COMMUNITY REVITALIZATION AREA (DISTRICTS 1, 2) (3 VOTES)

SUBJECT

This letter recommends approval of various actions required for the renewal of the Florence Avenue Property and Business Improvement District (FAPBID) for five years, commencing with Fiscal Year 2010-2011. The FAPBID is located along Florence Avenue from Central Avenue on the west to the Metro Blue Line tracks on the east, and along Compton Avenue from Florence Avenue on the north to East 75th Street on the south, in unincorporated Los Angeles County. The FAPBID allows for the levying of a special property benefit assessment to fund business-related improvements, maintenance and activities, including image enhancement, business promotions, physical amenities, supplemental public services, and related professional services that benefit businesses and real property located in the FAPBID.

IT IS RECOMMENDED THAT THE BOARD OF SUPERVISORS:

1. Adopt and instruct the Chair to sign a Resolution of Intention (Attachment A) to renew the Florence Avenue Property and Business Improvement District (FAPBID) for five years, commencing with Fiscal Year 2010-2011, located along Florence Avenue from Central Avenue on the west to the Metro Blue Line tracks on the east, and along Compton Avenue from Florence Avenue on the north to East 75th Street on the south, in unincorporated Los Angeles County, for the levying of a special property benefit assessment to fund business-related improvements, maintenance and activities, including image enhancement, business promotions, physical amenities, supplemental public services, and related professional services that benefit businesses and real property located in the FAPBID.

2. Set a date for a public hearing regarding renewal of the FAPBID, as specified in Section 36621 of the California Streets and Highways Code.

3. Instruct the Executive Director of the Community Development Commission, as agent of the County, to give notice of the public hearing by mailing a ballot to each property owner in the proposed FAPBID, in accordance with Article XIIID, Section 4 of the California Constitution.

AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT THE BOARD OF SUPERVISORS:

1. Order the tabulation of assessment ballots submitted, and not withdrawn, in support of or in opposition to the proposed special property benefit assessment.

2. Upon receipt and tabulation of the ballots following the close of the public comment section of the public hearing on the renewal of the Florence Avenue Property and Business Improvement District (FAPBID) for five years, if the petition passes by a majority vote of the proposed assessments, adopt and instruct the Chair to sign a Resolution of Formation and Renewal (Attachment B), either as proposed or as modified by your Board, to renew the FAPBID, to be located along Florence Avenue from Central Avenue on the west to the Metro Blue Line tracks on the east, and along Compton Avenue from Florence Avenue on the north to East 75th Street on the south, in unincorporated Los Angeles County.

3. Authorize the Executive Director of the Community Development Commission, as agent of the County, to take all necessary administrative actions and execute all necessary documents to renew the FAPBID.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Authorize the Executive Director, acting as agent for the County, to receive from the Los Angeles County Auditor-Controller all funds collected from the levying of a special property benefit assessment in the Florence Avenue Property and Business Improvement District (FAPBID), to be located along Florence Avenue from Central Avenue on the west to the Metro Blue Line tracks on the east, and along Compton Avenue from Florence Avenue on the north to East 75th Street on the south, in unincorporated Los Angeles County, in an estimated amount of $94,200 to be held in trust for the funding of business-related improvements, maintenance, and activities in the FAPBID.

2. Authorize the Executive Director to renew an agreement with the Florence Avenue Property Owners' Association (FAPOA), an organization comprised of property owners, businesses and other assessment ratepayers within the FAPBID, to receive the above funds from the Commission for use and expenditure in the FAPBID, to be effective following approval as to form by County Counsel and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the recommended actions is to renew the FAPBID, to fund business-related improvements, maintenance and activities, including image enhancement, promotions, physical amenities, supplemental public services, and professional and related operational services, which directly benefit businesses and real property located in the FAPBID.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. Upon renewal of the FAPBID, a special benefit assessment will be levied upon the affected properties. The County Treasurer-Tax Collector will collect the assessment with the annual property tax bill, and the County Auditor-Controller will transfer the funds to the Executive Director of the Commission, acting as agent for the County. The funds received will be held in trust for the FAPOA, for expenditure in the FAPBID. For Fiscal Year 2010-2011, these funds are included in the Commission's approved budget.

The County will renew an agreement with the FAPOA, an organization consisting of property owners, businesses and other assessment ratepayers within the FAPBID, under which the FAPOA will receive the funds for use and expenditure in the FAPBID.

The annual assessment for each parcel is calculated based on the amount of property square footage or building square footage, whichever is greater (benefit assessment units). The total number of benefit assessment units in the FAPBID is 1,082,905. The assessment fee rate for Fiscal Year 2010-2011 is $0.0869 per benefit assessment unit.

Future assessments are subject to annual increases based either upon the annual Los Angeles - Long Beach Consumer Price Index for all urban consumers, or upon approval by the FAPOA, in either case not to exceed an cumulative increase of five percent per year. Assessments may also be increased in certain cases based on new building construction on parcels within the FAPBID, where the building floor-space area exceeds the land area.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The FAPBID is located within the Florence Firestone Community Revitalization Area in unincorporated Los Angeles County. The Commission's current revitalization activities in this area include funding of the Florence Firestone Chamber of Commerce (FFCC) to provide technical assistance to merchants, the Community Business Revitalization program, to improve the façade of storefronts, and the recent completion of the Florence Avenue Streetscape Project, to beautify Florence Avenue and improve pedestrian safety. During the first five years of operation, the FAPBID supplemented these efforts by funding services that promoted and brought additional safety to the business corridor, such as security bike patrols, marketing printed materials and business directories, seasonal banners during observed holidays, website preparation and operation, and other consultant and administrative services.

In January 2010, a committee comprised of FAPOA board members and local area property stakeholders, distributed FAPBID renewal information and obtained signed petitions in support of the FAPBID renewal via one-on-one meetings, site visits and mailers.

In addition to the services the FAPBID has performed during its first five years in operation, the FAPBID plans to undertake additional activities that include image enhancement, promotions, physical amenities, maintenance (i.e. sidewalk cleaning, litter/bulky item pickup, etc.), professional services (i.e. activities/services consultant), supplemental public services (i.e. security, other maintenance, etc), and related management and operational services that directly benefit businesses and real property located in the FAPBID.

The FAPBID will raise funds through a special assessment on real property. Property owners within the FAPBID determine the level of funding, services and improvements necessary to fit the needs of the area. The FAPBID assessment is not a tax, but a special benefit assessment that provides enhanced business-related improvements, maintenance and activities in addition to those being provided by local government.

As required for the adoption and renewal of the FAPBID, an updated Florence Avenue Management District Plan (the Management District Plan) has been submitted to the County Clerk. The Management District Plan, prepared and approved by the Florence Avenue BID Renewal Committee, contains all of the information required by Section 36622 of the California Streets and Highways Code. The Management District Plan, to be approved via the Resolution of Formation and Renewal, is a five-year plan that includes a description of the boundaries of the District, the proposed improvements and activities, and the cost of such improvements and activities. At the conclusion of the new five-year term, the FAPBID may be renewed for up to an additional five years following collection of petitions and casting of ballots similar to the FAPBID formation process.

As required by state law, property owners representing greater than 50 percent of the assessment funds to be collected signed petitions supporting renewal of the FAPBID. The boundaries of the proposed FAPBID encompass 120 properties, two of which are County-owned. Also as required by state law, the FAPBID assessments are supported by an engineer's report prepared by a registered professional engineer certified by the State of California.

On July 7, 2010, following adoption of the Resolution of Intention, ballots will be sent to owners of all 120 properties within the FAPBID. Property owners will have until the public hearing date to vote on renewal of the FAPBID. The ballots will be collected by the Commission and transmitted unopened to the Board prior to the public hearing on renewal of the FAPBID.

Pursuant to Section 36621 of the California Streets and Highways Code and Article XIIID, Section 4 of the California Constitution, a public hearing on renewal of the FAPBID shall be held not less than 45 days after mailing the notice of the proposed assessment to the owners of record of each identified parcel. No Commission or County employee may lobby or influence any property owner to submit a vote for or against renewal of the FAPBID.

At the time of the public hearing, the Board will consider all objections or protests, if any, to the proposed renewal of the FAPBID and the proposed assessment. The ballots are then publicly opened. If a majority of the property owners representing greater than 50 percent of the assessment funds to be collected within the FAPBID vote in favor of renewal of the FAPBID, the FAPBID may be renewed. The special assessment will then continue to be collected with the regular tax collection via the County Treasurer-Tax Collector under an account labeled "Florence Avenue PBID" in Fiscal Year 2010-2011. The County Auditor-Controller will transfer the collected FAPBID funds to the Executive Director of the Commission, to be held in trust. The County will renew an agreement with the FAPOA to receive the funds for use and expenditure in the FAPBID. The FAPOA is comprised of the original members of the initial Formation Committee, which consists of property owners and other assessment ratepayers who have a direct

financial stake in the FAPBID. The FAPOA, following the Management District Plan, will procure the various agreed upon services on an annual basis.

Adoption of the attached Resolution of Intention (Attachment A) is required as part of the application process. Following a public hearing, adoption of the attached Resolution of Formation and Renewal (Attachment B) is required before the FAPBID is renewed. Both Resolutions have been approved as to form by County Counsel.

The boundary map of the FAPBID, the District Management Plan, the District Assessment Engineer's Report, the Ballot cover letter sent to each property owner, the Ballot instructions, and a sample Ballot are also included as attachments C, D, E, F, G, and H respectively.

ENVIRONMENTAL DOCUMENTATION

Actions taken to renew the FAPBID are exempt from the provisions of National Environmental Policy Act pursuant to 24 Code of Federal Regulations Part 58, Section 58.34 (a)(3) because they are administrative activities that will not have a physical impact on or result in any physical changes to the environment. The activities are not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES

The proposed actions will allow for the renewal of a property and business improvement district in the Florence Firestone Community Revitalization Target Area, which directly benefits businesses and real property by supplementing revitalization efforts and services that are currently provided by the County of Los Angeles.

Respectfully submitted,

SEAN ROGAN
Executive Director

Enclosures

ATTACHMENT A

RESOLUTION OF THE COUNTY OF LOS ANGELES STATING ITS INTENTION TO RENEW THE FLORENCE AVENUE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT AND TO LEVY AND COLLECT ASSESSMENTS WITHIN SUCH DISTRICT PURSUANT TO THE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994, PART 7 OF DIVISION 18 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND APPOINTING A TIME AND PLACE FOR A PUBLIC HEARING

WHEREAS, the Property and Business Improvement District Law of 1994, Part 7 of Division 18 of the California Streets and Highways Code, commencing with Section 36600, (the "Law") authorizes cities and counties to establish property and business improvement districts ("districts") to promote the economic revitalization and physical maintenance of business districts; and

WHEREAS, the Law authorizes cities and counties to levy and collect assessments on real property within such districts for the purpose of providing improvements and promoting activities that specially benefit real property within such districts; and

WHEREAS, Articles XIIIC and XIIID of the California Constitution and Section 53753 of the California Government Code impose certain procedural and substantive requirements relating to the levy of new or increased assessments; and

WHEREAS, the Board of Supervisors established the Florence Avenue Property and Business Improvement District for a five year period expiring with fiscal year 2009-2010 by adopting a Resolution on July 12th, 2005,

WHEREAS, written petitions have been submitted by property owners within the Florence Business Corridor along Florence Avenue, from Central Avenue on the west to the Metro Blue Line tracks on the east, and along Compton Avenue, from Florence Avenue on the north to East 75th Street on the south, in unincorporated Los Angeles County, requesting the Board of Supervisors to initiate proceedings pursuant to the Law to renew the "Florence Avenue Property and Business Improvement District" (the "FAPBID") for a five year period; and

WHEREAS, such petitions were signed by property owners in the proposed district who will pay more than fifty percent (50%) of the assessments proposed to be levied; and

WHEREAS, a Management District Plan entitled the "Florence Avenue Property and Business Improvement Renewal Management District Plan" (the "Management District Plan") has been prepared and submitted to the County Clerk, containing all of the information required by Section 36622 of the Law, including a description of the boundaries of the District, the improvements, maintenance and activities proposed for the District, and the cost of such improvements, maintenance and activities;

NOW, THEREFORE, BE IT RESOLVED THAT:

The County of Los Angles Board of Supervisors declares as follows:

Section 1. Pursuant to Section 36621(a) of the Law, the Board of Supervisors declares its intention to renew for five years, the FAPBID and to levy and collect assessments against lots and parcels of real property within the District, commencing with Fiscal Year 2010-2011.

Section 2. The Board of Supervisors hereby approves the Management District Plan on file in the office of the County Clerk.

Section 3. The County Clerk shall make the Management District Plan and other documents related to the District available to the public for review during normal business hours.

Section 4. NOTICE IS HEREBY GIVEN that the Board of Supervisors shall conduct a public hearing on the renewal of the District and the levy and collection of assessments for Fiscal Year 2010-2011 on August 24, 2010, at 9:30 a.m., or as soon thereafter as the matter may be heard, in the Hearing Room of the Board of Supervisors, Rm381B, Kenneth Hahn Hall of Administration located at 500 West Temple Street, Los Angeles, California 90012. At the public hearing, the Board will consider all objections or protests, if any, to the proposed renewal of the District and the proposed assessment. Any interested person may present written or oral testimony at the public hearing. The ballots are then publicly opened. If a majority of the property owners representing greater than 50 percent of the assessment funds to be collected within the FAPBID vote in favor of renewal of the FAPBID, the FAPBID may be renewed.

Section 5. The boundaries of the proposed renewed District encompass 120 properties fronting on Florence Avenue between Central Avenue and the Metro Blue Line tracks and along Compton Avenue from Florence Avenue to East 75th Street.

Section 6. The proposed business-related improvements, maintenance and activities for the District include public safety, image enhancement, promotions, physical amenities, maintenance (i.e. sidewalk cleaning, litter/bulky item pickup etc.), professional services (i.e. activities/services consultant), supplemental public services (i.e. security, other maintenance etc.), and related management and operational services which benefit businesses and real property located in the District.

Section 7. The assessment proposed to be levied and collected for Fiscal Year 2010-2011 is $94,200. Future assessments are subject to annual increases based either upon the annual Los Angeles - Long Beach Consumer Price Index for all urban consumers or upon approval by the Florence Avenue Property Owners' Association, the entity that will administer the proposed FAPBID, in either case not to exceed five percent per year. Assessments may also be increased in certain cases based on new building construction on parcels within the District where the building area exceeds the land area.

Section 8. The County Clerk is hereby authorized and directed to give notice of the public hearing as provided in Section 53753 of the Government Code and Article XIIID, Section 4 of the California Constitution.

Adopted at the regular meeting of the Board of Supervisors on the 6th of July, 2010, by the following vote:

AYES: Supervisors, Ridley-Thomas, Yaroslavsky, Knabe, Antonovich and Molina

NOES: None

ABSENT: None

ABSTAIN: None

Approved as to form:

ANDREA SHERIDAN ORDIN
County Counsel

Deputy

Attest:

SACHI A. HAMAI

Executive Officer-Clerk Deputy

FO:nb/reso of intention 6-23-10

ATTACHMENT B

RESOLUTION OF FORMATION AND RENEWAL BY
THE COUNTY OF LOS ANGELES FOR
THE FLORENCE AVENUE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

WHEREAS, pursuant to the Property and Business Improvement District Law of 1994, California Streets and Highways Code Section 36600 et seq. (the "Law"), the Board of Supervisors adopted on July 6, 2010, "Resolution of the County of Los Angeles Stating its Intention to Renew the Florence Avenue Property and Business Improvement District and to Levy and Collect Assessments Within Such District Pursuant to the Property and Business Improvement District Law of 1994, Part 7 of Division 18 of the California Streets and Highways Code and Appointing a Time and Place for a Public Hearing" ("Resolution of Intention"). Such resolution, among other things, adopted the Management District Plan on file in the office of the County Clerk; and

WHEREAS, the County caused notice of a public hearing concerning the proposed renewal of the Florence Avenue Property and Business Improvement District ("District") and the proposed levy of assessments within such District to be duly mailed, as required by law, to the record owner of each parcel proposed to be assessed within the District; and

WHEREAS, a public hearing concerning the proposed renewal of the Florence Avenue Property and Business Improvement District for a five (5) year period and the proposed levy of assessments within such District was held on _____
_____
_____; and

WHEREAS, at or before the public hearing, staff submitted to the Board of Supervisors the Management District Plan along with any modifications. Such modifications do not substantially change the proposed assessments, and do not revise, change or modify the boundaries of the proposed District, the type or types of improvements, maintenance or activities to be funded with the revenues from the assessments, or the proposed assessment rates. The Board of Supervisors hereby orders such modifications, if any, be made to the Management District Plan as provided to the Board of Supervisors and now on file in the office of the County Clerk; and

WHEREAS, at the public hearing, the Board of Supervisors heard and considered the testimony of all interested persons for or against the renewal of the Florence Avenue Property and Business Improvement District, the levy of assessments within such District, and the type or types of improvements, maintenance and activities to be funded with the revenues from the assessments, and a full, fair and complete hearing was held; and

WHEREAS, the Board of Supervisors heard and considered all objections or protests to the proposed assessments and tabulated the assessment ballots submitted, and not withdrawn, in support of or opposition to the proposed assessments. The Board of Supervisors hereby finds that a majority protest does not exist as defined in Section 4(e) of Article XIIID of the California Constitution and Section 53753 of the California Government Code. All objections or protests, both written and oral, are hereby duly overruled; and

WHEREAS, the public interest, convenience and necessity require the proposed renewal of the Florence Avenue Property and Business Improvement District; and

WHEREAS, in the opinion of the Board of Supervisors, the property within the Florence Avenue Property and Business Improvement District will be benefited by the improvements and activities to be funded by the assessments, and no assessment has been imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel;

NOW, THEREFORE, LET IT BE RESOLVED THAT:

The County of Los Angeles Board of Supervisors declares as follows:

Section 1. Renewal of District. Pursuant to the Law, the Florence Avenue Property and Business Improvement District is hereby renewed for five years, commencing with Fiscal Year 2010-2011 and ending with Fiscal Year 2014-2015.

Section 2. Description of District. The boundaries of the proposed District encompass 120 properties fronting on Florence Avenue between Central Avenue and the Metro Blue Line tracks and along Compton Avenue from Florence Avenue to East 75th Street.

Section 3. Amount of Assessment.

(a) Except where funds are otherwise available, an assessment will be levied annually to pay for all the improvements, maintenance and activities to be provided within the District, commencing with Fiscal Year 2010-2011 and ending with Fiscal Year 2014-2015. For purposes of levying and collecting assessments within the District, a fiscal year shall commence on each July 1st and end on the following June 30th.

(b) The total amount of the proposed assessment to be levied and collected for Fiscal Year 2010-2011 shall be $94,200. Future assessments are subject to annual increases based either upon the annual Los Angeles - Long Beach Consumer Price Index for all urban consumers or upon approval by the Florence Avenue Property Owners' Association, in either case not to exceed an accumulative five percent per year. Assessments may also be increased in certain cases based on new building construction on parcels within the District where the building area exceeds the land area.

(c) The method and basis of levying the assessment is set forth in the Management District Plan on file in the office of the County Clerk.

Section 4. Fund. A special fund shall be created, designated as the "Florence Avenue Property and Business Improvement District Fund", into which all revenue derived from assessments levied pursuant to this Resolution shall be placed, and such funds shall be used only for the purposes specified in this Resolution. This fund shall be subject to an annual independent audit of financial statements.

Section 5. Use of Revenues. The proposed improvement and activities for the District include public safety, image enhancement, promotions, physical amenities, professional services and related management and operation services all which benefit businesses and real property located in the District. The above improvements and activities will be funded by the levy of the assessments. The revenue from the levy of the assessments within the District shall not be used to provide improvements or activities outside the District or for any purpose other than the purposes specified in the Resolution of Intention of the Board of Supervisors.

Section 6. District Administration and Contract Services. The Executive Director of the Commission, acting as agent for the County, will receive the assessment funds in trust on behalf of the Florence Avenue Property Owners' Association ("FAPOA") and will disburse said funds to the FAPOA, which may contract with a separate private agency if it so chooses, to administer the FAPBID and fund the activities described in Section 5 above. The County may require any agency that holds funds in trust on behalf of the FAPOA for any purposes whatsoever, at no expense to the County, to provide an annual independent report of audited financial statements by a certified public accountant of these funds. The report may be funded from assessment proceeds as part of the general administration of the District. At all times the County shall reserve full rights of accounting of this fund.

Section 7. Amendments. Properties within the District established by this Resolution shall be subject to any amendments to the Law.

Section 8. Recordation of Notice and Diagram. The County Clerk or a designee is hereby authorized and directed to record a notice and an assessment diagram pursuant to Section 36627 of the California Streets and Highways Code following adoption of this Resolution.

Section 9. Levy of Assessment. The adoption of this Resolution and recordation of the notice and assessment diagram pursuant to Section 36627 of the California Streets and Highways Code constitutes the levy of an assessment in each of the fiscal years referred to in the Management District Plan. Each year, the Office of the Auditor-Controller of the County of Los Angles shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected.

PASSED, APPROVED and ADOPTED this _____day of _____, 20___, by the following vote:

AYES:

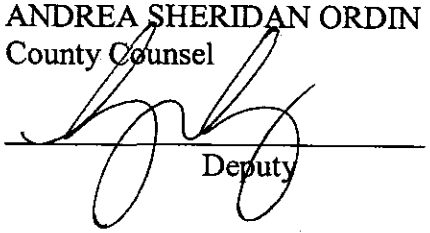
NOES:

ABSENT:

ABSTAIN:

Approved as to form:

ANDREA SHERIDAN ORDIN
County Counsel



Deputy

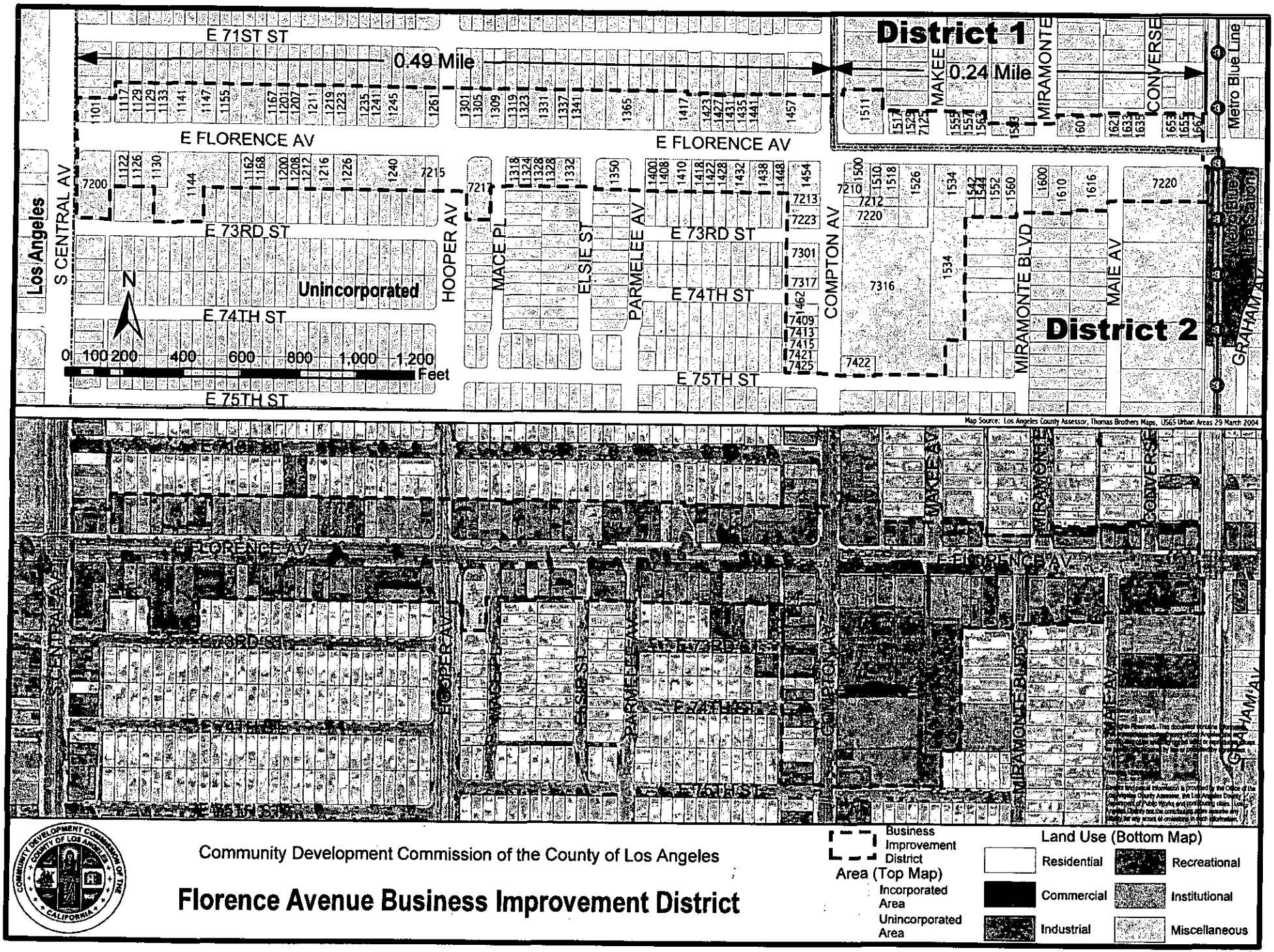
Attest:

SACHI A. HAMAI

_____
Executive Officer-Clerk

FO:nb/FAPBID Reso of Renewal 6-23-10

ATTACHMENT C


E 71ST ST
0.49 Mile
District 1
0.24 Mile
MAKEE
MIRAMONTE
CONVERSE
Metro Blue Line
E FLORENCE AV
S CENTRAL AV
Los Angeles
HOOPER AV
MACE PL
ELSIE ST
PARMELEE AV
COMPTON AV
MIRAMONTE BLVD
MAIE AV
GRAHAM AV
E 73RD ST
E 74TH ST
E 75TH ST
Unincorporated
N
0 100 200 400 600 800 1,000 1,200
Feet
District 2
Map Source: Los Angeles County Assessor, Thomas Brothers Maps, USGS Urban Areas 29 March 2004
Community Development Commission of the County of Los Angeles
Florence Avenue Business Improvement District
Business Improvement District Area (Top Map)
Incorporated Area
Unincorporated Area
Land Use (Bottom Map)
Residential
Commercial
Industrial
Recreational
Institutional
Miscellaneous

ATTACHMENT D

FLORENCE AVENUE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT RENEWAL

MANAGEMENT DISTRICT PLAN

Prepared pursuant to the State of California
Property and Business Improvement District Law of 1994
to renew the Florence Avenue PBID

By the

Florence Avenue
Property Owner's Association

With assistance from
Edward Henning & Associates

January 2010

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1.0 DISTRICT SUMMARY

The Florence Avenue PBID is a property-based Business Improvement District being renewed by business and property owners within the Florence Avenue Mile. The District was originally established in 2005 for a five year period. Much success and recognition has been attained during the initial five year term via PBID assessments paid for by Florence Avenue stakeholders. In recognition of this private sector achievement, the County of Los Angeles also invested substantial funds in the Florence Avenue area in the form of a major streetscape beautification project as well as funding assistance for various storefront improvements. The purpose of this renewed district is to continue to provide and manage supplemental services and improvements for this important business center, including supplemental private security, a professional marketing and business promotion program, and a program of replacing and maintaining street banners and holiday decorations throughout the Florence Avenue Mile.

Location: Florence Avenue between Central Avenue and The Blue Line Station and Compton Avenue from East 75th Street to just north of Florence Avenue.

Services: Public safety, image enhancement, promotions, physical amenities, professional services and related management and operation services.

Benefits:
- Real and perceived public safety
- Enhanced rental incomes from vacant and underutilized space
- Greater pedestrian activity and improved business climate
- Attract new businesses and investors
- Stronger and united voice in Business District matters

Finance: Benefit assessment of real property

Budget: Total district budget for Year 6 (first renewal year) is $94,104.44

- Security services	- $66,500.00
- Seasonal and special events and promotions	- $15,200.00
- Professional services/reserves	- $ 4,804.44
- Administrative services	- $ 7,600.00

Cost: There is one benefit zone. Year 6 (first renewal year) property assessment rate per parcel is: *$0.0869 per sq ft of land or building, whichever is greater (same rate since 2005)*

Cap: Assessments may be subject to increases in the annual Los Angeles - Long Beach Consumer Price Index for all urban consumers or a vote of the Florence Avenue Property Association Board, not to exceed an accumulative amount of 5% per year.

Renewal: District renewal requires submission of petitions from property owners representing at least 50% of the total assessment to be levied. In addition, a balloting of assessed property owners who will be assessed is required whereby; returned ballots in support of the PBID must not be "outweighed" by those returned in opposition to the renewed PBID based on the amount of assessment to be levied.

Duration: The renewed district will have a life of five (5) additional years. After that, the petition and balloting process must be repeated in order to renew the district and levy assessments.

PBID FAQ

1. *What is a PBID?*
   A PBID is a unique funding tool which allows business district property owners to pool their financial resources by assessing themselves to pay for certain district wide activities and improvements. PBID's have existed in California since 1995 and around the country for three decades and are the most effective and fair method to fund business district programs.

2. *What is the primary benefit of a PBID?*
   Competition for trade dollars is increasing and improving all the time. Much more can be accomplished by working together as an organized unit than by working alone. There is the advantage of group purchasing power for funding area wide improvements and programs .

3. *Is a PBID just another government program?*
   No. The local government agency's role is to initially approve establishment of the PBID and to annually re-approve the PBID budget and facilitate fund collection from the County Tax Collector. The funds would be used to pay for the programs and activities authorized by the approved PBID Management Plan.

4. *Is a PBID assessment a new tax?*
   No. Taxes go into government agency general funds to be used throughout their jurisdictions as needed. PBID assessments, however, can only be levied and used within the PBID boundaries to fund programs and activities authorized by the approved Management Plan. The PBID must be re-approved after the initial five year approval period. The County will contract with a Property Owner's Association to manage PBID matters and make annual specific budget and work plan recommendations.

5. *Which properties are assessed?*
   All identied benefiting properties within the boundaries of the PBID will be assessed. Assessments will vary based on the projected proportionate special benefit to be conferred on each property.

6. *How much is each property charged?*
   An equitable formula has been developed whereby assessments are computed based either on the property size or building size, whichever is greater, in proportion to the expected level of benefit to be derived from the programs, improvements and activities being funded.

7. *Can the assessment formula or programs be changed in the future?*
   The assessment formula and broad programs can only be changed by a process similar to the PBID initial formation involving support petitions, a ballot procedure, notices and a public hearing.

2.0 INTRODUCTION

In light of economic woes in the last few years, California, cities and business districts have experienced depleted project and operation budgets which historically funded central business district related services and activities. Programs were eliminated, projects were delayed and levels of service were reduced. In addition, with an increased awareness of social issues such as crime and environmental concerns (littering, natural resource depletion, graffiti), there is a greater perceived need by the public for supplemental business district security and maintenance services.

Coupled with this, there is an ever-increasing amount of competition for business districts from malls, off-price centers, big box warehouse retailers and factory outlets as well as a myriad of mail order catalogs home shopping networks and the internet. There is a much greater need to aggressively market goods and services and create physical environments and services comparable to the competition. Business districts everywhere must work harder and smarter just to capture a portion of their proportionate marketplace share.

In order to survive and coexist in the myriad of competition, business districts cannot rely solely on discretionary government funding or normal tax supported programs and services. There is a need to pool private resources to independently fund, at least in part, vital activities, services and improvements. Business districts throughout California are finding that one of the most viable methods today to accomplish this is through a property-based business improvement district (PBID).

This unique assessment mechanism can fund an exciting array of activities ranging from farmer's markets, art festivals and street fairs to beautification projects such as banners, holiday decorations and landscape planters, to urgently needed services such as supplemental security and maintenance. By pooling private dollars, PBIDs are able to collectively pay for activities, programs and improvements that would not be possible on an individual owner basis. In a time of stretched public resources, PBIDs continue to be one of the most valuable and effective private sector business district finance tools available.

2.1 PBID ELIGIBLE USE OF FUNDS

PBID assessments are levied directly on properties within a prescribed area on the basis of relative special benefit from the improvements and activities all as delineated in this Plan. For general reference, eligible improvements and activities as defined in State PBID law are as follows:

• **"Improvement"** means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

(a) Parking facilities

(b) Benches, booths, kiosks, display cases, pedestrian shelters and signs

(c) Trash receptacles and public restrooms (d) Lighting and heating facilities

(e) Decorations (f) Parks (g) Fountains (h) Planting areas

(i) Closing, opening, widening, or narrowing of existing streets

(j) Facilities or equipment, or both, to enhance security of persons and property within the area.

(k) Ramps, sidewalks, plazas, and pedestrian malls.

(l) Rehabilitation or removal of existing structures

• **"Activities"** means, but is not limited to, all of the following:

(a) Promotion of public events which benefit businesses or real property in the district.

(b) Furnishing of music in any public place in the area.

(c) Promotion of tourism within the district.

(d) Marketing and economic development, including retail retention and recruitment.

(e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.

(f) Activities which benefit businesses and real property located in the district.

2.2 REQUIRED INFORMATION IN A PBID MANAGEMENT DISTRICT PLAN

As stipulated by California State Law (Section 36600 Streets and Highways Code), the following information and data must be included in a PBID Management District Plan:

Section 36622. The management district plan shall contain all of the following:

(a) A map of the district in sufficient detail to locate each parcel of property within the district.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of any benefit zones, proposed for establishment or extension in a manner sufficient to identify the lands included. Under no circumstances shall the boundaries of a proposed district overlap with the boundaries of another existing district created pursuant to this part. Nothing in this part prohibits the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law including, but not limited to, the Parking and Business Improvement Area Law of 1989.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations in each year of operation of the district.

(f) The proposed source or sources of financing including the proposed method and basis of levying the assessment in sufficient detail to allow each property owner to calculate the amount of the assessment to be levied against his of her property.

(g) The time and manner of collecting the assessments.

(h) The specific number of years, to a maximum of five, in which assessments will be levied. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties to be assessed, including the assessor's parcel number, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property, in proportion to the benefit received by the property, to defray the cost thereof, including operation and maintenance.

(l) Any other item or matter required to be incorporated therein by the local government agency.

3.0 PBID COMPONENTS

3.1 PBID BOUNDARY

The Florence Avenue PBID encompasses properties along the north and south side of Florence Avenue between Central Avenue and the Blue Line tracks and along the east and west sides of Compton between Florence Avenue and East 75th Street.

Based on information provided by the Los Angeles County Assessor's Office and field reviews, there are 120 parcels within the renewed PBID. All identified benefiting properties within this PBID will receive varying degrees of primary direct benefit from district programs and improvements within a single benefit zone. A map showing the PBID boundaries is shown on Appendix A attached hereto.

3.2 PBID ACTIVITIES/PROGRAMS/COSTS/BUDGET

"The PBID will offer a flexible array of programs and services for the diverse needs of the Florence Avenue business district!"

Security Program may include:

- private security patrolling or additional sheriff
- security seminars for private property

Seasonal & Special Events & Promotions may include:

- promotional events and activities
- holiday events and decorations
- District advertising and press releases
- Holiday decoration purchase/installation/maintenance

Professional Services may include:

- consultants to manage PBID services and programs
- planning services addressing parking, traffic, design, land use, infrastructure etc
- accounting, insurance, other office services

Administration may include:

- personnel to manage PBID programs, activities and projects
- office space and equipment

HOW FLORENCE AVENUE STAKEHOLDERS BENEFIT

All property owners:

- Real and perceived public safety enhancement
- Cleaner sidewalks and streets
- Higher property resale values
- Enhanced rental incomes from vacant and underutilized space
- Greater pedestrian activity
- Improved business climate and mix of desired and needed uses
- New businesses and investors
- Additional promotion programs and services
- Stronger and united voice in Florence Avenue business district matters

Retail, restaurant, entertainment, and service businesses:

- Promotional activities to attract and keep customers

Professional, medical and financial businesses:

- Clean & safe programs for welfare of customers and employees

General office uses:

- Enhanced climate and opportunities for entertaining clients and guests

Churches, fraternal groups, government facilities and non-profits:

- Enhanced overall environment for members, visitors and contributors

Residents

- Enhanced clean and safe "urban village" living

YEAR 6 (1st RENEWAL YEAR) PROPOSED PBID BUDGET SUMMARY

ACTIVITY	Allocation	%
1. Security Program	$66,500.00	71%
2. Seasonal & Special Events & Promotions	$15,200.00	16%
3. Professional Services/Reserves	$4,804.44	5%
4. Administrative Services	$7,600.00	8%
TOTAL	**$94,104.44**	**100%**

** Budget allocations may be shifted by the Board from one year to the next between major work plan categories based on actual program costs, demands, contract prices and implementation schedules. Each category amount may be adjusted upward or downward but generally stay within 35% of its cumulative 5 year allocation.*

PBID Program Costs and Budget

In order to carry out the PBID programs outlined in the previous section, a Year 1 renewal budget of $94,104.44 is projected. The four program activities range from 5% to 71% of the total budget each. Since the PBID renewal is planned for a five year term, projected program costs for future years (Years 2-5) are set at the inception of the renewed PBID. While future inflationary and other program cost increases are unknown at this point, a built in cumulative maximum increase of 5% per annum, either tied to the C.P.I. for the Los Angeles/Long Beach area for all urban consumers or upon approval of the Property Owners Association Board may be incorporated into the program costs for the five year life of the PBID. The five year budget and work plan (with increases) is shown in the table below. Carryovers, if any, could be reapportioned the following year for related programs, services and improvements. Detailed annual budgets will be prepared by the Board for the County's review and approval.

Projected Five Year Renewal Program Costs

(May be increased up to an accumulative 5% per year based on CPI increase or Board approved increase)

	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
Program Description						
Security Program	$66,500	$69,825	$73,316	$76,982	$80,831	$367,454
Seasonal & Special Events & Promotions	$15,200	$15,960	$16,758	$17,596	$18,476	$83,990
Professional Services/Reserves	$4,804	$5,045	$5,297	$5,562	$5,840	$26,548
Administrative Services	$7,600	$7,980	$8,379	$8,798	$9,238	$41,995
TOTALS	$94,104	$98,810	$103,750	$108,938	$114,385	$519,986

3.3 PBID ASSESSMENTS

Analysis of Basis and Method of Levying Assessments

The Florence Avenue PBID is a benefit assessment type district whereby district program costs are to be apportioned amongst benefiting properties based on the special benefit each property is expected to derive from the PBID programs. The method and basis of spreading program costs varies from one PBID to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the PBID. Some large PBIDs require secondary benefit zones to be identified to allow for a tiered assessment formula for variable benefits derived. Also, as required by Proposition 218, general benefits may not be incorporated into the assessment formula and levied on the PBID properties; only special benefits and costs may be considered. Furthermore, Proposition 218 no longer exempts government owned property from paying benefit assessments unless it is demonstrated by clear and convincing evidence that the property in fact receives no special benefit. The 2 parcels owned by the County of Los Angeles (1610 Florence and 7217 Mace Place) have been identified as benefiting from PBID services and programs and will be assessed along with all of the privately owned parcels within the PBID. All PBID services and programs will be directly provided to the County owned parcels.

There are four parcels located at the southeast corner of Florence Avenue and Central Avenue that have been acquired by the Los Angeles Unified School District for the construction of a new elementary school. The new school facility is currently under construction. In the opinion of this Engineer, this school site property will receive no special benefits from the renewed PBID programs and improvements. The school district provides their own security services and would not benefit from other image and promotional related business activities. PBID services will not be extended to any area adjacent to the LAUSD parcels.

Based on the linear/cross shape of the renewed PBID, as well as the nature of the proposed PBID program elements, it is determined that one benefit zone exists in which all identified properties will gain special, albeit, proportional degrees of benefit.

PBID assessment formulas may relate to either property street frontage or parcel and building size and location which affect the amount of assessment to be paid. The formula may base assessments on a single factor or a combination of factors. Based on the program activities to be funded, which relate directly to the parcel size and current improvements, it is determined that the assessments be based either on the parcel size or the building area, whichever is greater. Within the PBID, for identified benefiting parcels, there are roughly 1.054 million square feet of land and 550,059 square feet of building area. When adjusted for the greater of either the parcel size or building area, the cumulative amount of assessable benefit units equals 1,082,905. When divided into the program cost of $94,104.44, the cost per benefit unit equals $0.0869 per benefit unit. A list of all parcels in the PBID is shown on Appendix B attached hereto along with the amount of assessable benefit units for each.

RENEWED FLORENCE AVENUE PBID
YEAR 6 ASSESSMENT FORMULA

Assessment Fee = Greater of Land Area or Building Area x $0.0869/sq ft

SAMPLE CALCULATIONS:

A. 12,000 sq ft building on 15,000 sq ft lot

Land area is greater than the building area, therefore assessment fee =

15,000 x $0.0869 = $1,304/yr = $109/mo = $3.63/day

B. 7,000 sq ft building on 5,000 sq ft lot

Building area is greater than the land area, therefore the assessment fee =

7000 x $0.0869 = $608/yr = $51/mo = $1.70/day

Since the renewed PBID is planned for a five year term, maximum assessments for future years (Years 7-10) must be set at the inception of the renewed PBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum cumulative increase of 5% per annum, tied either to the C.P.I. for the Los Angeles/Long Beach area for all urban consumers or as approved by the Property Owners Association Board, is incorporated into the assessment rates for the five year life of the renewed PBID. These figures are shown in the table below. Assessment rates may not exceed those indicated below.

Five Year Maximum Assessment Rates For Renewed PBID
(Includes a 5% CPI or Board approved cap on annual increases)

	Yr 6 Rate	Yr 7 Rate	Yr 8 Rate	Yr 9 rate	Yr 10 Rate
Annual Assessment Rate	$0.0869	$0.0913	$0.0958	$0.101	$0.106

3.4 SPECIFIC ANNUAL ADJUSTMENTS

During the term of the PBID, the annual budget and corresponding assessments may be increased cumulatively up to five percent (5%) - either to reflect annual increases in the Los Angeles/Long Beach Consumer Price Index (CPI) for all urban consumers, or as approved by the property owners association board.

In addition, any annual budget surplus or deficit will be incorporated into the subsequent year's PBID budget. Within the constraints of the annual adjustment, annual assessments may be set to account for surpluses or deficits carried forward.

3.5 DISTRICT GOVERNANCE

The Florence Avenue Property Owners Association ("Association") will be the agency responsible for the ongoing day-to-day management and administration of the Florence Avenue PBID. The Association is a non-profit corporation formed by property owners located in the Florence Avenue PBID. The Association may choose to contract with the Florence-Firestone Chamber of Commerce to carry out some or all of the District programs and activities. The Association may also contract with consultants for a variety of needed professional services in conjunction with the planning and implementation of PBID programs and services.

The annual programs, budgets and assessments for the Florence Avenue PBID shall be determined by the Association, who shall also continue to serve as the PBID "property owners association" described in State PBID Law. The Board of the Association shall be responsible for the general oversight of the District including approval of the annual work programs and budgets, monitoring performance, and ensuring compliance with appropriate rules and regulations, including a PBID management agreement with the County of Los Angeles. The Board shall generally meet on a monthly basis. When related to PBID matters, such meetings shall be subject to the State of California "Brown Act" open meeting requirements. Records of this Association pertaining to PBID related matters shall be available for public review as stipulated by State Law. Pursuant to State law, the Association Board shall file, for approval by the Board of Supervisors, an annual report for the upcoming year for which assessments shall be levied. Upon PBID renewal, the Board of Supervisors and the Association will execute a contract for continuation of the performance and delivery of the stipulated program services over the life of the renewed PBID.

3.6 PBID SPECIAL RULES AND REGULATIONS

The Association may adopt special rules and regulations from time to time, as deemed appropriate and necessary.

4.0 TIME AND MANNER FOR COLLECTING ASSESSMENTS

As provided by statute, the Florence Avenue PBID assessments will be collected by the County of Los Angeles in the same manner as annual property taxes are collected and will appear as a separate line item on the property tax statement prepared by and issued by the County. It is intended that the County and the Florence Avenue Property Owners Association will enter into an agreement under which the County will remit the assessment revenues to the Association for implementation of the renewal Management Plan. Existing laws and policies addressing enforcement and/or appeal of property taxes shall also apply to PBID assessments.

5.0 PBID DURATION

Pursuant to State PBID law, the renewed Florence Avenue PBID will have a five year operating duration extending from January 2011 through the end of December 2015. Any continuation of the PBID after the five year renewal period will require compliance with all regulations and statutes in place at the time

relative to establishment of a property and business improvement district. At present, this would require preparation of a new management plan for up to 10 years, circulation of a new majority support petition, a Prop 218 balloting and a public hearing and noticing process.

6.0 BONDS

No bonds will be issued or sold in conjunction with the funding and operation of the renewed Florence Avenue PBID.

6.0 PBID IMPLEMENTATION TIMELINE

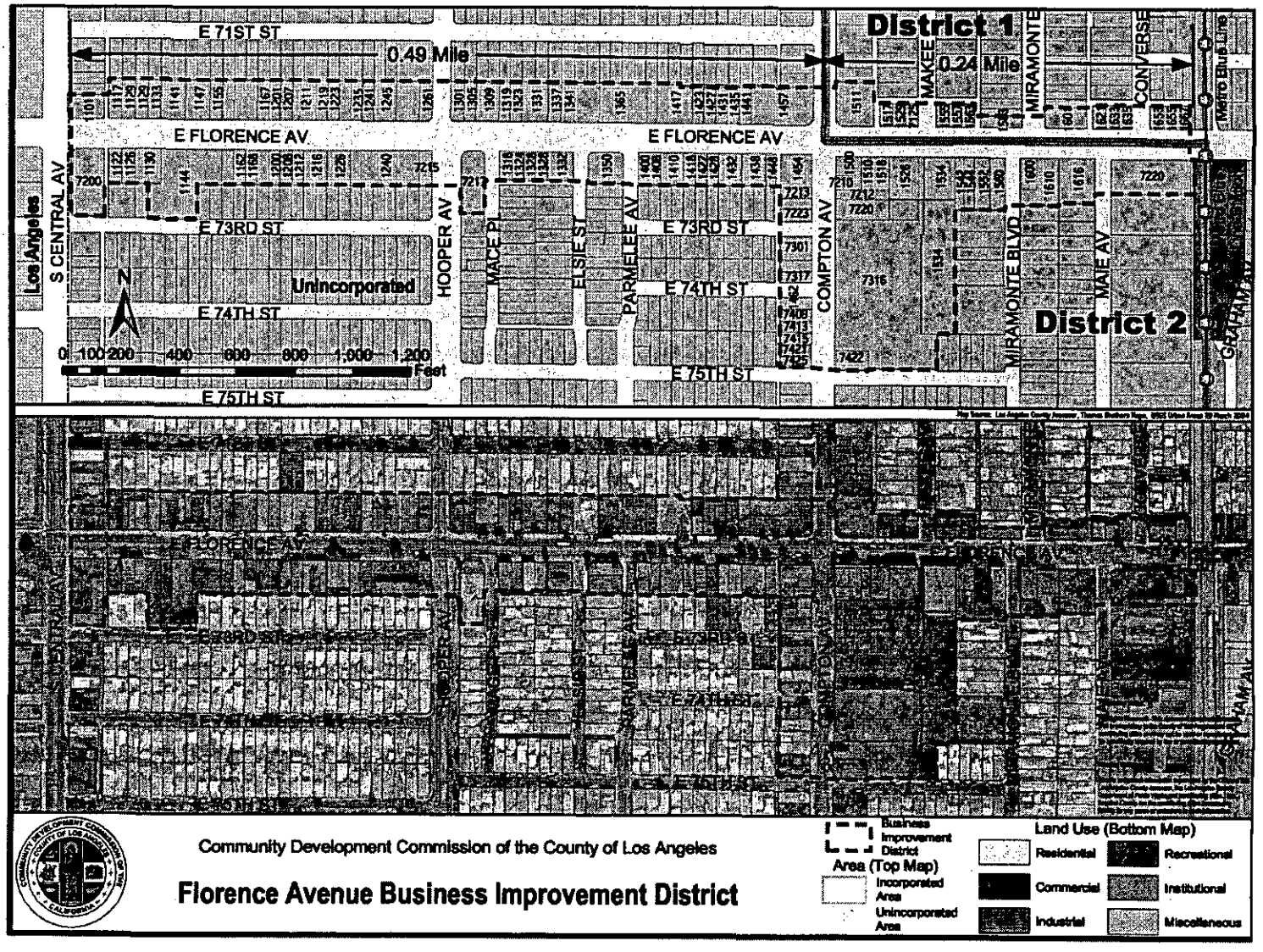
The Renewed Florence Avenue PBID is expected to be operational by January 2011. In order to meet this goal, the following procedural timeline is proposed:

Date	Action/Task
Dec '09 - Jan '10	• Develop a PBID Management Plan
Jan '10 - Feb '10	• Strategize support campaign/meetings etc.
Jan '10 - May '10	• Conduct PBID outreach/education campaign
January '10	• Initiate petition drive
Jan-May '10	• Collect petitions signed by property owners
June '10	• Submit majority support petitions to County along with final Management Plan and Prop 218 Engineer's Report
July '10	• Board of Supervisors adopts resolution of intention to form the PBID
July '10	• County sends notice of PBID public hearing, copy of resolution of intention and a ballot to each property owner within PBID
August '10	• County conducts public hearing (ballots due by this date)
August '10	• Providing no majority protest either by ballot or otherwise in writing at the hearing, Board approves resolution establishing PBID and approves PBID management contract with Association
August '10	• Assessment roll submitted to Assessor/Record Map and Notice
Dec 10, Apr 10 (due)	• Assessments collected by County
1st Qtr '11	• Revenues remitted to Association per contract
2011-2015 (5 yrs)	• Association carries out renewed PBID programs and services

APPENDIX A

BOUNDARY MAP

FLORENCE AVENUE RENEWED PBID


District 1
District 2
0.49 Mile
0.24 Mile
E 71ST ST
E FLORENCE AV
E 73RD ST
E 74TH ST
E 75TH ST
S CENTRAL AV
HOOPER AV
MACE PL
ELSIE ST
PARMELEE AV
COMPTON AV
MIRAMONTE BLVD
MAIE AV
MAKEE
CONVERSE
Unincorporated
Los Angeles
N
0 100 200 400 600 800 1,000 1,200 Feet
Community Development Commission of the County of Los Angeles
Florence Avenue Business Improvement District
Business Improvement District
Area (Top Map)
Incorporated Area
Unincorporated Area
Land Use (Bottom Map)
Residential
Commercial
Industrial
Recreational
Institutional
Miscellaneous

APPENDIX B

ASSESSMENT ROLL
FLORENCE AVENUE RENEWED PBID

APN	Bldg Area (SF)	Land Area (SF)	Benefit Units (greater of bldg or land)	Assessment Fee	% Total
6010015023	7,865	5,750	7865	$683.47	0.73%
6010015024	6,112	11,504	11504	$999.70	1.06%
6010015025	4,494	11,504	11504	$999.70	1.06%
6010015026	3,263	5,750	5750	$499.68	0.53%
6010015027	1,520	6,164	6164	$535.65	0.57%
6010015028	960	6,164	6164	$535.65	0.57%
6010015029	0	6,164	6164	$535.65	0.57%
6010015032	70	9,060	9060	$787.31	0.84%
6010015033	0	10,960	10960	$952.42	1.01%
6010015034	0	5,750	5750	$499.68	0.53%
6010016015	3,636	5,934	5934	$515.66	0.55%
6010016016	0	10,960	10960	$952.42	1.01%
6010016019	5,200	5,480	5480	$476.21	0.51%
6010016020	5,480	5,480	5480	$476.21	0.51%
6010016021	5,480	5,480	5480	$476.21	0.51%
6010016022	5,480	5,480	5480	$476.21	0.51%
6010016023	5,480	5,480	5480	$476.21	0.51%
6010016024	10,560	10,960	10960	$952.42	1.01%
6010016025	5,200	5,480	5480	$476.21	0.51%
6010016026	5,280	5,480	5480	$476.21	0.51%
6010016027	5,200	5,480	5480	$476.21	0.51%
6010016028	8,320	10,960	10960	$952.42	1.01%
6010025026	978	6,164	6164	$535.65	0.57%
6010025027	2,280	6,164	6164	$535.65	0.57%
6010025028	0	12,330	12330	$1,071.48	1.14%
6010025029	3,324	5,480	5480	$476.21	0.51%
6010025030	5,248	5,480	5480	$476.21	0.51%

6010025031	6,000	10,960	10960	$952.42	1.01%
6010025032	3,800	5,480	5480	$476.21	0.51%
6010025033	3,800	6,782	6782	$589.36	0.63%
6010025036	6,824	16,344	16344	$1,420.29	1.51%
6010025041	0	4,658	4658	$404.78	0.43%
6010025042	6,050	22,742	22742	$1,976.28	2.10%
6010025043	2,488	11,645	11645	$1,011.95	1.08%
6010027035	0	5,079	5079	$441.37	0.47%
6010027036	2,334	5,079	5079	$441.37	0.47%
6010027037	0	5,079	5079	$441.37	0.47%
6010027038	0	5,079	5079	$441.37	0.47%
6010027039	2,512	5,079	5079	$441.37	0.47%
6010027067	14,750	27,203	27203	$2,363.94	2.51%
6010038015	7,740	3,999	7740	$672.61	0.71%
6010038016	0	3,237	3237	$281.30	0.30%
6010038017	0	3,999	3999	$347.51	0.37%
6010039013	13,603	10,080	13603	$1,182.10	1.26%
6010039022	3,520	3,598	3598	$312.67	0.33%
6010039023	2,250	3,598	3598	$312.67	0.33%
6010039024	2,760	3,680	3680	$319.79	0.34%
6010040009	0	3,680	3680	$319.79	0.34%
6010040010	3,672	3,197	3672	$319.10	0.34%
6010040011	4,624	4,000	4624	$401.83	0.43%
6010040030	5,760	5,760	5760	$500.54	0.53%
6010041019	1,464	3,598	3598	$312.67	0.33%
6010041020	3,600	3,598	3600	$312.84	0.33%
6010041021	415	3,676	3676	$319.44	0.34%
6010041022	0	19,955	19955	$1,734.09	1.84%
6021001001	9,298	12,097	12097	$1,051.23	1.12%
6021001002	3,895	4,400	4400	$382.36	0.41%
6021001003	0	3,846	3846	$334.22	0.36%
6021001004	4,518	4,950	4950	$430.16	0.46%

6021001005	2,960	4,047	4047	$351.68	0.37%
6021001006	6,024	8,799	8799	$764.63	0.81%
6021001007	8,668	8,799	8799	$764.63	0.81%
6021001008	4,400	4,400	4400	$382.36	0.41%
6021001009	3,750	4,400	4400	$382.36	0.41%
6021001010	3,750	4,400	4400	$382.36	0.41%
6021001011	8,640	8,799	8799	$764.63	0.81%
6021001012	960	4,400	4400	$382.36	0.41%
6021001013	7,910	4,400	7910	$687.38	0.73%
6021002001	7,182	8,799	8799	$764.63	0.81%
6021002002	2,471	4,400	4400	$382.36	0.41%
6021002026	5,172	4,400	5172	$449.45	0.48%
6021003001	4,096	4,360	4360	$378.88	0.40%
6021003002	0	4,400	4400	$382.36	0.41%
6021003003	1,169	4,400	4400	$382.36	0.41%
6021003017	2,064	4,400	4400	$382.36	0.41%
6021003018	1,192	4,332	4332	$376.45	0.40%
6021003035	542	4,400	4400	$382.36	0.41%
6021015001	2,290	4,857	4857	$422.07	0.45%
6021015002	17,601	8,590	17601	$1,529.53	1.63%
6021015003	2,630	3,938	3938	$342.21	0.36%
6021015004	7,735	7,841	7841	$681.38	0.72%
6021015005	5,890	5,663	5890	$511.84	0.54%
6021015006	13,110	13,068	13110	$1,139.26	1.21%
6021015007	12,000	15,246	15246	$1,324.88	1.41%
6021015008	6,900	6,900	6900	$599.61	0.64%
6021015009	17,920	16,797	17920	$1,557.25	1.65%
6021015011	2,407	5,218	5218	$453.44	0.48%
6021015012	3,428	6,477	6477	$562.85	0.60%
6021015013	0	9,897	9897	$860.05	0.91%
6021015014	6,323	9,540	9540	$829.03	0.88%
6021015019	3,000	2,997	3000	$260.70	0.28%

6021015024	1,003	3,450	3450	$299.81	0.32%
6021015050	71,235	155,074	155074	$13,475.93	14.32%
6021016008	912	14,031	14031	$1,219.29	1.30%
6021016009	6,600	6,630	6630	$576.15	0.61%
6021016900	0	15,530	15530	$1,349.56	1.43%
6021019013	6,000	35,440	35440	$3,079.74	3.27%
6024001013	4,500	5,040	5040	$437.98	0.47%
6024001014	3,900	4,796	4796	$416.77	0.44%
6024001015	2,201	4,796	4796	$416.77	0.44%
6024001027	9,034	30,239	30239	$2,627.77	2.79%
6024001902	0	0	0	$0.00	0.00%
6024001903	0	0	0	$0.00	0.00%
6024001904	0	0	0	$0.00	0.00%
6024001905	0	0	0	$0.00	0.00%
6024002001	4,800	4,796	4800	$417.12	0.44%
6024002002	4,800	4,796	4800	$417.12	0.44%
6024002003	1,240	4,796	4796	$416.77	0.44%
6024002004	2,400	4,796	4796	$416.77	0.44%
6024002005	520	9,596	9596	$833.89	0.89%
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6024002033	10,746	28,800	28800	$2,502.72	2.66%
6024019001	3,329	4,813	4813	$418.25	0.44%
6024019002	0	3,999	3999	$347.51	0.37%
6024019003	3,280	4,000	4000	$347.60	0.37%
6024019016	0	4,265	4265	$370.63	0.39%
6024019017	3,102	8,529	8529	$741.17	0.79%
6024019071	5,202	12,360	12360	$1,074.08	1.14%
6024019901	0	23,000	23000	$1,998.70	2.12%

ATTACHMENT E

FLORENCE AVENUE PROPERTY AND BUSINESS IMPROVEMENT DISTRICT RENEWAL

DISTRICT ASSESSMENT ENGINEER'S REPORT

Prepared by
Edward V. Henning,
California Registered Professional Engineer # 26549
Edward Henning & Associates

JANUARY 2010

DISTRICT ASSESSMENT ENGINEER'S REPORT

To Whom It May Concern:

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting properties located within the renewed Florence Avenue Property Business Improvement District ("Florence Avenue PBID") will receive a special benefit over and above the benefits conferred on the public at large and that the amount of the proposed assessment is proportional to, and no greater than the benefits conferred on each respective property.

Prepared by Edward V. Henning, California Registered Professional Engineer # 26549

RPE#26549 1-11-10

Edward V. Henning Date

(NOT VALID WITHOUT CERTIFICATION SEAL AND SIGNATURE HERE)

Introduction

This report serves as the "detailed engineer's report" required by Section 4(b) of Article XIIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied within the Florence Avenue PBID in the County of Los Angeles, California being renewed for a five year period. The discussion and analysis contained within constitutes the required "nexus" of rationale between assessment amounts levied and special benefits derived by properties within the Florence Avenue PBID.

NOTE: The terminology "identified benefiting parcel" or "property" is used throughout this report pursuant to SB 919 - "Proposition 218 Omnibus Implementation Act" which clarified portions of Prop 218. It provides the Engineer with the ability to actually identify individual parcels, which will benefit directly either in whole or in part from the renewed District funded programs and improvements and does not imply that all parcels receive assessable benefits.

Background

The Florence Avenue PBID is a property-based benefit assessment type district being renewed for a five year period as a Property Business Improvement District (PBID) pursuant to Section 36600 et seq. of the California Streets and Highways Code, also known as the Property and Business Improvement District Law of 1994 (the "Act"). Due to the benefit assessment nature of assessments levied within a PBID, district program costs are to be distributed amongst all identified benefiting properties based on the proportional amount of program benefit each property is expected to derive from the assessments collected. Within the Act, frequent references are made to the concept of relative "benefit" received from PBID programs and activities versus amount of assessment paid. Only those properties expected to derive special benefits from PBID funded programs and activities may be assessed and only in an amount proportional to the relative benefits expected to be received.

The method used to determine benefits derived by each identified property within a PBID begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the Florence Avenue PBID, the benefit unit may be measured in linear feet of primary street frontage or parcel size in square feet or building size in square feet or number of building floors or proximity to major corridors in average linear feet, or any combination of these factors. Quantity takeoffs for each parcel are then measured or otherwise ascertained. From these figures, the amount of benefit units to be assigned to each property can be calculated. Special circumstances such as unique geography, land uses, development constraints etc. are carefully reviewed relative to specific programs and improvements to be funded by the PBID in order to determine any levels of diminished benefit, which may apply on a parcel by parcel or categorical basis.

Based on the factors described above such as geography and nature of programs and activities proposed, an assessment formula is developed which is derived from a singular or composite basic benefit unit factor or factors. Within the assessment formula, different factors may be assigned different "weights" or percentage of values based on their relationship to programs/services to be funded.

Next, all program and activity costs, including incidental costs, district administration and ancillary program costs, are estimated. It is noted, as stipulated in Proposition 218, and now required of all property based assessment districts, indirect or general benefits may not be incorporated into the assessment formula and levied on the District properties; only direct or "special" benefits and costs may be considered. Indirect or general benefit costs, if any, must be identified and, if quantifiable, calculated and factored out of the assessment cost basis to produce a "net" cost figure. In addition, Proposition 218 no longer automatically exempts government owned property from being assessed and if special benefit is determined to be conferred upon such properties, they must be assessed in proportion to benefits conferred in a manner similar to privately owned property assessments.

From this, the value of a basic benefit unit or "basic net unit cost" can be computed by dividing the total amount of

estimated net program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as "spreading the assessment" or the "assessment spread" in that all costs are allocated proportionally or "spread" amongst all properties within the PBID.

The method and basis of spreading program costs varies from one PBID to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the District. PBIDs may require secondary benefit zones to be identified to allow for a tiered assessment formula for variable or "stepped-down" benefits derived.

Supplemental Proposition 218 Procedures and Requirements

Proposition 218, approved by the voters of California in November of 1996, adds a supplemental array of procedures and requirements to be carried out prior to levying a property-based assessment like the Florence Avenue PBID. These requirements are in addition to requirements imposed by State and local assessment enabling laws. These requirements were "chaptered" into law as Article XIIID of the California Constitution.

Since Prop 218 provisions will affect all subsequent calculations to be made in the final assessment formula for the Florence Avenue PBID, Prop 218 requirements will be taken into account first. The key provisions of Prop 218 along with a description of how the Florence Avenue PBID complies with each of these provisions are delineated below.

(Note: All section references below pertain to Article XIII of the California Constitution):

Finding 1. From Section 4(a): "Identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed"

There are 120 individual parcels within the Florence Avenue PBID. Of these, there are 116 "identified" parcels which will derive special benefit from the renewed District programs and activities. There are four parcels located at the southeast corner of Florence Avenue and Central Avenue that have been acquired by the Los Angeles Unified School District for the construction of a new elementary school. The new school facility is currently under construction. In the opinion of this Engineer, this school site property will receive no special benefits from the renewed PBID programs and improvements. The school district provides their own security services and would not benefit from other image and promotional related business activities. The benefits for the remaining 116 parcels are special and unique only to these identified properties because programs and services (i.e. security, seasonal/special events/promotions, security, professional services/reserves and administrative services) will only be provided directly for the identified properties. All District parcels are shown on the Boundary Map within the Management District

Plan and are listed as an attachment to the Plan - identified by assessor parcel number. One benefit zone has been identified within the District, which includes all properties within the subject business corridor along Florence Avenue from Central Avenue east to the Metro Blue Line tracks and along Compton Avenue from Florence Avenue south to E. 75th Street. Each identified property will benefit proportionately to the proposed programs and services based on the proposed levels of service.

Finding 2. From Section 4(a): "Separate general benefits (if any) from the special benefits conferred on parcel(s). Only special benefits are assessable. "

As stipulated by Prop 218, assessment district programs and activities may confer a combination of general and special benefits to properties, but the only program benefits which can be funded through assessments are those attributed to special property related benefits. For the purposes of this analysis, a "general benefit" is hereby defined as: "A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied". From this, the definition of "special benefit" would thereby be: "A benefit unique and special to identified properties resulting from the improvement, activity, or service to be provided by the assessment levied".

In the case of the renewed PBID, the very nature of the purpose of this district is to fund supplemental programs, improvements and services above and beyond what is being currently funded either via normal tax supported methods or other funding sources. Specifically they include:

1. Security Program may include:

- private security patrolling or additional sheriff
- security seminars for private property

2. Seasonal & Special Events & Promotions may include:

- promotional events and activities
- holiday events and decorations
- District advertising and press releases
- Holiday decoration purchase/installation/maintenance

3. Professional Services/Reserves may include:

- management consultants to manage services and programs
- planning services addressing parking, traffic, design, land use, infrastructure etc
- accounting, insurance, other office services
- reserve funds for future projects or programs

4. Administration may include:

- personnel to manage PBID programs, activities and projects
- office space and equipment

The proposed programs/services/improvements delineated above will only be provided within the renewed District boundaries and only for the direct special benefit for properties within the District. The fact that the renewed PBID assessments will only be levied on properties within its District boundaries and, in turn, assessment revenues can only be spent on programs, improvements and services that provide direct or special benefit to properties within the PBID boundaries, it is hereby determined that there are no quantifiable, measurable or tangible general benefits in the PBID area and to the surrounding community or the public in general. Hence, 100% of the benefits are deemed "special" and none are deemed "general". It is noted that "funds" have been provided by the County of Los Angeles within the PBID for the PBID initial formation, a parking study, a storefront improvement program and a major streetscape enhancement project – all which provide a degree of benefit to properties within the Florence Avenue PBID. In addition, countless hours of private volunteer hours are provided by property and business owners within the PBID for the PBID renewal as well as ongoing Committee and Board work via the Florence Avenue Property Owners Association.

Finding 3. From Section 4(a): "(Determine) the proportionate special benefit derived by each parcel in relationship to the entirety of the.....cost of public improvement(s) or the maintenance and operation expenses.....or the cost of the property related service being provided.

The proportionate special benefit cost for each parcel is listed in Appendix A to the Management District Plan. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) would be computed by dividing the individual parcel assessment by the total special benefit program costs.

Finding 4. From Section 4(a): "No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Not only are the proposed program costs reasonable due to the benefit of group purchasing and contracting which are possible through the Florence Avenue PBID, they are also considerably less than other options considered by the Florence Avenue PBID renewal steering committee. The actual assessment rates for each parcel within the PBID directly relate to the level of service to be provided and the respective numerics for each parcel (i.e. lot size or building size, whichever is larger).

Finding 5. From Section 4(a): "Parcels.....that are owned or used by any (public) agency shall not be exempt from assessment....."

There are two County owned properties (1610 Florence and 7217 Mace Place) currently within the renewed District. There is no conclusive evidence that these parcels would receive diminished or no special benefit from the programs, services and improvements proposed to be funded via District assessments. Therefore these parcels will be assessed at the same respective rates as privately owned parcels within the District.

There are four parcels located at the southeast corner of Florence Avenue and Central Avenue that have been acquired by the Los Angeles Unified School District for the construction of a new elementary school. The new school facility is currently under construction. In the opinion of this Engineer, this school site property will receive no special benefits from the renewed PBID programs and improvements. The school district provides their own security services and would not benefit from other image and promotional related business activities.

Finding 6. From Section 4(b): "All assessments must be supported by a detailed engineer's report prepared by a registered professional engineer certified by the State of California".

This report serves as the "detailed engineer's report" to support the benefit property assessments proposed to be levied within the Florence Avenue PBID.

Finding 7. From Section 4(c): "The amount of the proposed assessment for each parcel shall be calculated (along with) the total amount thereof chargeable to the entire district, the duration of such payments, the reason for such assessment and the basis upon which the amount of the proposed assessment was calculated."

The individual and total parcel assessments attributable to special property benefits are shown on Appendix A to the Management District Plan. The District and resultant assessment payments will continue for five years and may be renewed again at that time. The reasons (purposes) for the proposed assessments are outlined in Finding 2 above as well as in the Management District Plan. The calculation basis of the proposed assessment is 100% attributed to the specific amount of property square footage or building square footage, whichever is larger. There is one (1) Benefit Zone identified.

Assessment Formula Methodology

Step 1. Select "Basic Benefit Unit(s)"

PBID assessment formulas typically are based on either property street frontage or parcel and building size or location, all which relate to the amount of special benefit conferred on a particular parcel and the proportionate assessment to be paid. The formula may base assessments on a single factor or a combination of factors.

Based on the specific nature of the program activities to be funded by the Florence Avenue PBID (i.e. security, seasonal/special events/promotions, security, professional services/reserves and administrative services) which relate directly to the proportionate amount of real estate (i.e. land) held in ownership, in the opinion of this Assessment Engineer, the assessments will be based entirely on parcel size, except where the building area exceeds the parcel size wherein the latter figure will be used.

The "Basic Benefit Unit" will be expressed as a function of land square footage or building square footage, whichever is larger. Based on the shape of the Florence Avenue PBID, as well as the nature of the District program elements, it is determined that all properties benefit to the same extent, and will gain a direct and proportionate degree of benefit based on the respective amount of parcel size or building size, whichever is larger.

Step 2. Quantify Total Basic Benefit Units

Taking into account all identified benefiting properties and their respective assessable benefit units, there are 550,059 sq ft of building area, 1,054,941 sq ft of land, and a resultant 1,082,905 assessable Basic Benefit Units within the District.

Step 3. Calculate Benefit Units for Each Property.

The number of Benefit Units for each identified benefiting parcel within the Florence Avenue PBID was computed from data extracted from County of Los Angeles Assessor records and maps. These data sources delineate current land uses, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property based assessments. All respective property data being used for assessment computations has been provided to each property owner in the PBID for their review. All known or reported discrepancies, errors or misinformation have been corrected.

Step 4. Determine Assessment Formula

All properties will be assessed in a similar proportionate manner using the same formula. The Florence Avenue PBID assessment is to be based on one Basic Benefit Unit factor; parcel size or building size, whichever is larger within one

(1) Benefit Zone. It has been determined that the assessment should be based 100% on parcel size or building size, whichever is larger as follows:

Assessment Formula:

Property/Building Size Factor = $94,104.44/1,082,905 units = $0.0869/benefit unit (larger of land or building area)

Step 5. Estimate Total District Costs

The total Year 6 District costs are shown below in Table 1. Projected costs for the 5 year PBID term are shown below in Table 2.

TABLE 1

YEAR 6 (1st RENEWAL YEAR) PROPOSED PBID BUDGET SUMMARY

ACTIVITY	Allocation	%
1. Security Program	$66,500.00	71%
2. Seasonal & Special Events & Promotions	$15,200.00	16%
3. Professional Services/Reserves	$4,804.44	5%
4. Administrative Services	$7,600.00	8%
TOTAL	**$94,104.44**	**100%**

TABLE 2

Projected Five Year Renewal Program Costs

(May be increased up to an accumulative 5% per year based on CPI increase or Board approved increase)

	Year 6	Year 7	Year 8	Year 9	Year 10	Totals
Program Description						
Security Program	$66,500	$69,825	$73,316	$76,982	$80,831	$367,454
Seasonal & Special Events & Promotions	$15,200	$15,960	$16,758	$17,596	$18,476	$83,990
Professional Services/Reserves	$4,804	$5,045	$5,297	$5,562	$5,840	$26,548
Administrative Services	$7,600	$7,980	$8,379	$8,798	$9,238	$41,995
TOTALS	$94,104	$98,810	$103,750	$108,938	$114,385	$519,986

Step 6. Separate General Benefits from Special Benefits and Related Costs (Prop 218)

All general benefits (if any) are intangible and unquantifiable. All benefits derived from the assessments outlined in the District Management Plan are for services directly benefiting the property owners within this specialized District and support increased commerce and all the other goals and objectives of the PBID. Total District revenues are shown below in Table 3.

TABLE 3

Total Year 6 District Revenues

Funding Source	Subtotal Revenue	% of Total
PBID Assessments	$94,104.44	100.00%
TOTAL DISTRICT REVENUE	$94,104.44	100.00%

Step 7. Calculate "Basic Unit Cost"

With a Year 6 budget of $94,104.44 (special benefit only), the Basic Unit Costs are shown in the District Management Plan. Since the renewed PBID is planned for a 5 year term, maximum assessments for future years (Years 7 through 10) must be set at the inception of the renewed PBID. Assessments are subject to nominal annual increases based either upon the annual Los Angeles - Long Beach Consumer Price Index for all urban consumers or upon approval by the Property Owner's Association Board, in either case not to exceed an accumulative 5% per year. The maximum assessment rates for all future years are shown in Table 4 below.

TABLE 4

Five Year Maximum Assessment Rates For Renewed PBID

(Includes a 5% CPI or Board approved cap on annual increases)

	Yr 6 Rate	Yr 7 Rate	Yr 8 Rate	Yr 9 rate	Yr 10 Rate
Annual Assessment Rate	$0.0869	$0.0913	$0.0958	$0.101	$0.106

Step 8. Spread the Assessments

The resultant assessment spread calculations for each parcel within the PBID are shown in an Appendix to the District Plan and were determined by applying the District assessment formula to each identified benefiting property.

APPENDIX A

ASSESSMENT ROLL
FLORENCE AVENUE RENEWED PBID

APN	Bldg Area (SF)	Land Area (SF)	Benefit Units (greater of bldg or land)	Assessment Fee	% Total
6010015023	7,865	5,750	7865	$683.47	0.73%
6010015024	6,112	11,504	11504	$999.70	1.06%
6010015025	4,494	11,504	11504	$999.70	1.06%
6010015026	3,263	5,750	5750	$499.68	0.53%
6010015027	1,520	6,164	6164	$535.65	0.57%
6010015028	960	6,164	6164	$535.65	0.57%
6010015029	0	6,164	6164	$535.65	0.57%
6010015032	70	9,060	9060	$787.31	0.84%
6010015033	0	10,960	10960	$952.42	1.01%
6010015034	0	5,750	5750	$499.68	0.53%
6010016015	3,636	5,934	5934	$515.66	0.55%
6010016016	0	10,960	10960	$952.42	1.01%
6010016019	5,200	5,480	5480	$476.21	0.51%
6010016020	5,480	5,480	5480	$476.21	0.51%
6010016021	5,480	5,480	5480	$476.21	0.51%
6010016022	5,480	5,480	5480	$476.21	0.51%
6010016023	5,480	5,480	5480	$476.21	0.51%
6010016024	10,560	10,960	10960	$952.42	1.01%
6010016025	5,200	5,480	5480	$476.21	0.51%
6010016026	5,280	5,480	5480	$476.21	0.51%
6010016027	5,200	5,480	5480	$476.21	0.51%
6010016028	8,320	10,960	10960	$952.42	1.01%
6010025026	978	6,164	6164	$535.65	0.57%
6010025027	2,280	6,164	6164	$535.65	0.57%
6010025028	0	12,330	12330	$1,071.48	1.14%
6010025029	3,324	5,480	5480	$476.21	0.51%
6010025030	5,248	5,480	5480	$476.21	0.51%
6010025031	6,000	10,960	10960	$952.42	1.01%
6010025032	3,800	5,480	5480	$476.21	0.51%

6010025033	3,800	6,782	6782	$589.36	0.63%
6010025036	6,824	16,344	16344	$1,420.29	1.51%
6010025041	0	4,658	4658	$404.78	0.43%
6010025042	6,050	22,742	22742	$1,976.28	2.10%
6010025043	2,488	11,645	11645	$1,011.95	1.08%
6010027035	0	5,079	5079	$441.37	0.47%
6010027036	2,334	5,079	5079	$441.37	0.47%
6010027037	0	5,079	5079	$441.37	0.47%
6010027038	0	5,079	5079	$441.37	0.47%
6010027039	2,512	5,079	5079	$441.37	0.47%
6010027067	14,750	27,203	27203	$2,363.94	2.51%
6010038015	7,740	3,999	7740	$672.61	0.71%
6010038016	0	3,237	3237	$281.30	0.30%
6010038017	0	3,999	3999	$347.51	0.37%
6010039013	13,603	10,080	13603	$1,182.10	1.26%
6010039022	3,520	3,598	3598	$312.67	0.33%
6010039023	2,250	3,598	3598	$312.67	0.33%
6010039024	2,760	3,680	3680	$319.79	0.34%
6010040009	0	3,680	3680	$319.79	0.34%
6010040010	3,672	3,197	3672	$319.10	0.34%
6010040011	4,624	4,000	4624	$401.83	0.43%
6010040030	5,760	5,760	5760	$500.54	0.53%
6010041019	1,464	3,598	3598	$312.67	0.33%
6010041020	3,600	3,598	3600	$312.84	0.33%
6010041021	415	3,676	3676	$319.44	0.34%
6010041022	0	19,955	19955	$1,734.09	1.84%
6021001001	9,298	12,097	12097	$1,051.23	1.12%
6021001002	3,895	4,400	4400	$382.36	0.41%
6021001003	0	3,846	3846	$334.22	0.36%
6021001004	4,518	4,950	4950	$430.16	0.46%
6021001005	2,960	4,047	4047	$351.68	0.37%

6021001006	6,024	8,799	8799	$764.63	0.81%
6021001007	8,668	8,799	8799	$764.63	0.81%
6021001008	4,400	4,400	4400	$382.36	0.41%
6021001009	3,750	4,400	4400	$382.36	0.41%
6021001010	3,750	4,400	4400	$382.36	0.41%
6021001011	8,640	8,799	8799	$764.63	0.81%
6021001012	960	4,400	4400	$382.36	0.41%
6021001013	7,910	4,400	7910	$687.38	0.73%
6021002001	7,182	8,799	8799	$764.63	0.81%
6021002002	2,471	4,400	4400	$382.36	0.41%
6021002026	5,172	4,400	5172	$449.45	0.48%
6021003001	4,096	4,360	4360	$378.88	0.40%
6021003002	0	4,400	4400	$382.36	0.41%
6021003003	1,169	4,400	4400	$382.36	0.41%
6021003017	2,064	4,400	4400	$382.36	0.41%
6021003018	1,192	4,332	4332	$376.45	0.40%
6021003035	542	4,400	4400	$382.36	0.41%
6021015001	2,290	4,857	4857	$422.07	0.45%
6021015002	17,601	8,590	17601	$1,529.53	1.63%
6021015003	2,630	3,938	3938	$342.21	0.36%
6021015004	7,735	7,841	7841	$681.38	0.72%
6021015005	5,890	5,663	5890	$511.84	0.54%
6021015006	13,110	13,068	13110	$1,139.26	1.21%
6021015007	12,000	15,246	15246	$1,324.88	1.41%
6021015008	6,900	6,900	6900	$599.61	0.64%
6021015009	17,920	16,797	17920	$1,557.25	1.65%
6021015011	2,407	5,218	5218	$453.44	0.48%
6021015012	3,428	6,477	6477	$562.85	0.60%
6021015013	0	9,897	9897	$860.05	0.91%
6021015014	6,323	9,540	9540	$829.03	0.88%
6021015019	3,000	2,997	3000	$260.70	0.28%

6021015024	1,003	3,450	3450	$299.81	0.32%
6021015050	71,235	155,074	155074	$13,475.93	14.32%
6021016008	912	14,031	14031	$1,219.29	1.30%
6021016009	6,600	6,630	6630	$576.15	0.61%
6021016900	0	15,530	15530	$1,349.56	1.43%
6021019013	6,000	35,440	35440	$3,079.74	3.27%
6024001013	4,500	5,040	5040	$437.98	0.47%
6024001014	3,900	4,796	4796	$416.77	0.44%
6024001015	2,201	4,796	4796	$416.77	0.44%
6024001027	9,034	30,239	30239	$2,627.77	2.79%
6024001902	0	0	0	$0.00	0.00%
6024001903	0	0	0	$0.00	0.00%
6024001904	0	0	0	$0.00	0.00%
6024001905	0	0	0	$0.00	0.00%
6024002001	4,800	4,796	4800	$417.12	0.44%
6024002002	4,800	4,796	4800	$417.12	0.44%
6024002003	1,240	4,796	4796	$416.77	0.44%
6024002004	2,400	4,796	4796	$416.77	0.44%
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6024019002	0	3,999	3999	$347.51	0.37%
6024019003	3,280	4,000	4000	$347.60	0.37%
6024019016	0	4,265	4265	$370.63	0.39%
6024019017	3,102	8,529	8529	$741.17	0.79%
6024019071	5,202	12,360	12360	$1,074.08	1.14%
6024019901	0	23,000	23000	$1,998.70	2.12%

ATTACHMENT F

COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org

Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

July 7, 2010

Dear Property Owner:

Between now and _____, 20___, you have an opportunity to cast a vote to renew the Florence Avenue Property and Business Improvement District (FAPBID) for a five year period. The FAPBID would fund business-related improvements, maintenance and activities, including public safety, image enhancement, business promotions, physical amenities, supplemental public services, and related professional services that benefit businesses and real property along Florence Avenue between Central Avenue and the Blue Line and along Compton Avenue from Florence Avenue to E. 75th St. To finance these services, properties within the FAPBID would be levied an assessment in proportion to the benefit received. The purpose of these programs is to attract new business and increase the customer base and property value in the Florence Avenue Business Corridor. If approved, the funds collected will be transferred to the Florence Avenue Property Owners' Association (FAPOA), an organization consisting of property owners, businesses and other assessment ratepayers within the FAPBID. If you received this notice, our records show you are eligible to vote because you own one or more parcels of land in the proposed assessment district. Please take the time to review the following documents included in this package.

- A Notice of Public Hearing Regarding Proposed District Renewal and Proposed Levy of Assessment, which provides a detailed explanation of how properties would be assessed.
- Procedures Applicable to the Completion, Return and Tabulation of Ballots
- A Ballot that states your proposed annual assessment amount.

You may return your ballot by mail in the enclosed self-addressed postage-paid return envelope or deliver it in person to the Executive Director, Community Development Commission of the County of Los Angeles, Economic/Redevelopment Division, 2 Coral Circle, Monterey Park, California 91755. To be counted, the Executive Director of the Community Development Commission must receive your ballot prior to the close of the public hearing on the FAPBID, which is scheduled to begin at _____. on _____, to be held at the _____located at _____. Should you have any questions regarding the voting process or the FAPBID, please contact _____at _____.

Sincerely,

SEAN ROGAN, Executive Director

ATTACHMENT G

COUNTY OF LOS ANGELES
FLORENCE AVENUE PROPERTY & BUSINESS IMPROVEMENT DISTRICT
PROCEDURES APPLICABLE TO THE COMPLETION, RETURN, AND TABULATION OF BALLOTS

I. Completion of Assessment Ballots

- **Who may complete a ballot**

An assessment ballot ("ballot") may be completed by the owner of the parcel to be assessed. As used in these Procedures, the term "owner" includes the owner's authorized representative. If the owner of the parcel is a partnership, joint tenancy, or tenancy in common, a ballot may be completed by any of the general partners, joint tenants in common. Except as set forth below, only one ballot may be completed for each parcel.

- **Proportional assessment ballots**

If a parcel has multiple owners, any owner may request a proportional ballot. If the ownership interest of the owner is not shown on the last equalized secured property tax assessment roll, such request must include evidence, satisfactory to the County, of the owner's proportional rights in the parcel. The County will provide the proportional ballot to the owner at the address shown on the assessment roll. Any request for a ballot to be mailed to another location must be made in writing and must include evidence, satisfactory to the County, of the identity of the person requesting the ballot. Each proportional ballot will be marked to show the date on which the ballot was provided, to identify it as a proportional ballot and to indicate the owner's proportional rights in the parcel. The County will keep a record of each proportional ballot provided to an owner.

- **Duplicate ballots**

If the ballot is wrongly marked, torn or defaced, the Executive Director of the Community Development Commission will provide a duplicate ballot to the owner upon surrender of such ballot. In addition, if a ballot is lost, destroyed or never received, the Executive Director of the Community Development Commission will provide a duplicate ballot to the owner upon receipt of a statement, signed under penalty of perjury, that the owner has failed to receive, lost, or destroyed his or her original ballot. The written request for a duplicate ballot shall be delivered to the Executive Director of the Community Development Commission of the County of Los Angeles, Economic/Redevelopment Division at 2 Coral Circle, Monterey Park CA 91755, or at the public hearing on the proposed assessment. The duplicate ballot will be marked to show the date on which the ballot was provided and to identify it as a duplicate ballot.

To complete a ballot, the owner of the parcel must (1) stamp or mark the appropriate box supporting or opposing the proposed assessment, and (2) sign, under penalty of perjury, the statement on the ballot that the person completing the ballot is authorized to

submit a ballot on behalf of the parcel(s) identified on the ballot. Only one box may be stamped or marked on each ballot. Ballots must be completed in ink.

- Only assessment ballots provided by the County will be accepted

  The Executive Director of the Community Development Commission will only accept ballots mailed or otherwise provided to owners by the Executive Director of the Community Development Commission. Photocopies, faxes, and other forms of the ballots will not be accepted.

II. Return of Assessment Ballots

- **Who may return ballots**

  A ballot may be returned by the owner of the parcel or by anyone authorized by the owner to return the ballot.

- **Where to return ballots**

  Ballots may be mailed to the address indicated on the ballot. Ballots may also be delivered in person to the Executive Director of the Community Development Commission of the County of Los Angeles, Economic/Redevelopment Division, 2 Coral Circle, Monterey Park CA 91755, or at the public hearing on the proposed assessment.

- **When to return ballots**

  All returned ballots must be received by the Executive Director of the Community Development Commission prior to the time the County Board of Supervisors closes the public input portion of the public hearing on the proposed assessment. The public input portion of the public hearing may be continued from time to time. The Executive Director of the Community Development Commission will stamp on each ballot the date of its receipt.

  To ensure that mailed ballots are received by the Executive Director of the Community Development Commission prior to the conclusion of the public input portion of the public hearing, mailed ballots must be received by the Executive Director of the Community Development Commission prior to that time. Ballots received on the date scheduled for the public hearing will only be counted if the ballots are received by the Executive Director of the Community Development Commission prior to the conclusion of the public input portion of the public hearing. The County makes no representation as to whether the public input portion of the public hearing will be concluded on the date scheduled for commencement of the public hearing or continued to a later date.

- **Withdrawal of assessment ballots**

  After returning a ballot to the County, the person who signed the ballot may withdraw the ballot by submitting a written request to the Executive Director of the Community Development Commission directing the Executive Director of the Community Development Commission to withdraw the ballot. Such request must be received by the Executive Director of the Community Development Commission prior to the close of the public input portion of the public hearing on the proposed assessment. If any ballot has been withdrawn, the person withdrawing the ballot may request a duplicate ballot. The Executive Director of the Community Development Commission will retain all withdrawn ballots and will indicate on the face of such ballots that they have been withdrawn.

III. Tabulation of Assessment Ballots

- **Which assessment ballots will be counted**

  Only ballots which are completed and returned in compliance with these procedures will be counted. Ballots received by the Executive Director of the Community Development Commission after the close of the public input portion of the public hearing on the proposed assessment will not be counted. Ballots which are not signed by the owner will not be counted. Ballots with no boxes marked, or with more than one box marked, will not be counted. Ballots marked in pencil will not be counted. Ballots withdrawn in accordance with these procedures will not be counted.

  The Executive Director of the Community Development Commission will keep a record of each proportional or duplicate ballot provided to an owner and will verify, prior to counting any duplicate ballot, that only one ballot has been returned for the parcel (or for the owner in the case of proportional ballots). If a non-duplicate ballot has been returned, the County will count the non-duplicate ballot and void all duplicate ballots. If only duplicate ballots have been returned, the County will count the earliest provided duplicate ballot and void the later provided duplicate ballots. If an owner returns both a non-proportional ballot and a proportional ballot, the County will count the proportional ballot and void the non-proportional ballot.

- **When and where assessment ballots will be tabulated**

  The final tabulation of ballots will be performed at the public hearing following the close of the public input portion of the public hearing. The public hearing may be continued from time to time for the purpose of tabulating ballots.

- **How assessment ballots will be tabulated**

  The County may presort and determine the proportionate weight of the returned ballots prior to tabulating the ballots. Ballots may be counted by hand, by computer or by any other tabulating device.

Ballots will be weighted according to the proportional financial obligation of the affected property; provided, however, that proportional ballots shall be weighted in accordance with the respective ownership interests of each proportional ballot submitted. If one or more proportional ballots are returned for a parcel and a non-proportional ballot is returned for the parcel, the non-proportional ballot will either be disregarded (if the same owner has returned a proportional ballot) or treated as a proportional ballot (if the same owner has not returned a proportional ballot).

- **Who will tabulate assessment ballots**

Ballots will be tabulated by the Executive Director of the Community Development Commission and other non-biased designees.

- **Results of tabulation**

The results of the tabulation will be announced following the completion of the tabulation and entered in the minutes of the County Board of Supervisor's meeting. If ballots submitted in opposition to the proposed assessment exceed the ballots submitted in favor of the proposed assessment (as tabulated above), the assessment will not be imposed.

IV. Resolution of Disputes

In the event of a dispute regarding whether the signer of a ballot is the owner of the parcel to which the ballot applies, the County will make such determination from the last equalized assessment roll and any evidence of ownership submitted to the Executive Director of the Community Development Commission prior to the conclusion of the public hearing. The County will be under no duty to obtain or consider any other evidence as to ownership of property and the County's determination of ownership will be final and conclusive. In the event of a dispute regarding whether the signer of a ballot is authorized to submit a ballot on behalf of the parcel, the County may rely on the statement on the ballot, signed under penalty of perjury, that the person completing the ballot is authorized to submit a ballot and any evidence submitted to the Executive Director of the Community Development Commission prior to the conclusion of the public hearing. The County will be under no duty to obtain or consider any other evidence as to whether the signer of the ballot is authorized to submit a ballot and the County's determination will be final and conclusive.

V. General Information

The ballots will be opened at the conclusion of the public input portion of the public hearing by the Executive Director of the Community Development Commission. Following the public hearing, all returned ballots are public records. For further information regarding the ballot process or the proposed District, contact Corde Carrillo, Director, Economic/Redevelopment Division, Community Development Commission of the County of Los Angeles at (323) 890-7205.

ATTACHMENT H

SAMPLE ONLY

Ballot to Form the Florence Avenue Property and Business Improvement District

(Pursuant to Section 36600 et seq of the California Streets and Highways Code)

Legal Owner: 1355 Florence Shopping Center

Owner % of Total Assessment: 3.40%

I.D.	APN	Site Address	Assessment	% of Total
1	6010-025-040	1355 Florence Ave	$3,321.61	3.40%

PLEASE CHECK ONE OF THE FOLLOWING, SIGN BALLOT AND RETURN IN ENCLOSED ENVELOPE

_____**YES, I APPROVE** of the proposed assessment on the parcel(s) identified on this ballot.

_____**NO, I DO NOT APPROVE** of the proposed assessment on the parcel(s) identified on this ballot

☞ _____

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

PLEASE PLACE THIS COMPLETED BALLOT IN THE OFFICIAL BALLOT SECRECY ENVELOPE AND THEN PLACE THE SECRECY ENVELOPE IN THE ENCLOSED POSTAGE-PAID PRE-ADDRESSED OFFICIAL BALLOT RETURN ENVELOPE AND RETURN TO:

COMMUNITY DEVELOPMENT COMMISSION
COUNTY OF LOS ANGLES
ECONOMIC/REDEVELOPMENT DIVISION
2 CORAL CIRCLE, MONTEREY PARK, CA 91755