

ATTACHMENT B

**TARZANA SAFARI WALK
BUSINESS IMPROVEMENT DISTRICT**

*Being renewed pursuant to Section 36600 et seq. of the California Streets and Highways Code
The Property and Business Improvement District Law of 1994*

**DISTRICT
ASSESSMENT ENGINEER'S
REPORT**

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

September 2017

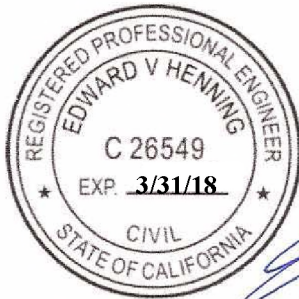
TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

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 proposed renewed Tarzana Safari Walk Business Improvement District ("TSWBID") being renewed for a five (5) year term 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



A handwritten signature in blue ink that reads "Edward V. Henning".

RPE #26549 Aug 29, 2017

Edward V. Henning

Date

(NOT VALID WITHOUT SIGNATURE AND CERTIFICATION SEAL HERE)

Introduction

This report serves as the “detailed engineer’s report” required by Section 4(b) of Article XIIIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied within the proposed TSWBID in the City of Los Angeles, California being renewed for a five (5) year term. The discussion and analysis contained within this Report constitutes the required “nexus” of rationale between assessment amounts levied and special benefits derived by real properties within the proposed renewed TSWBID.

Background

The TSWBID is a property-based benefit assessment type district being renewed for a five (5) year term pursuant to Section 36600 et seq. of the California Streets and Highways Code (as amended), 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 property and business improvement district (“PBID”), district program costs are to be distributed amongst all identified benefiting properties based on the proportionate amount of special program benefit each property is expected to derive from programs, services and improvements funded by the assessments levied. 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 special benefits expected to be received.

**Supplemental Article XIID Section 4(b) California Constitution
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 TSWBID. These requirements are in addition to requirements imposed by State and local assessment enabling laws. These requirements were “chaptered” into law as Article XIID Section 4(b) of the California Constitution.

Since Article XIID provisions will affect all subsequent calculations to be made in the final assessment formula for the TSWBID, these supplemental requirements will be taken into account. The key provisions of Article XIID along with a description of how the TSWBID 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 36 parcels within the proposed Tarzana Safari Walk BID which are “identified” by this Assessment Engineer as assessable parcels that will derive proportionate special benefit from the proposed renewed District programs and activities. The benefits are special and unique only to the identified parcels within the District because programs and services (i.e. beautification/streetscape improvements, district identity/marketing/promotions and administration/management) will only be provided directly for the special benefit of the identified parcels within the District, and none outside of the BID. These identified benefiting parcels are located within the BID perimeter boundary which is shown on the Boundary Map attached as Appendix 2 to this Report and are listed in Appendix 1 to this Report - identified by assessor parcel number.

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Setting

The proposed renewed Tarzana Safari Walk BID is located in the southwest section of the San Fernando Valley, a suburb community in the City of Los Angeles, near the western end of the extensive Ventura Boulevard business corridor that traverses numerous communities adjacent to the 101 Ventura Freeway corridor. The property uses within the boundaries of the proposed renewed BID that will receive special benefits from BID funded programs and services are currently a mix of retail, service, restaurant, office and commercial parking.

Boundary Description

The TSWBID includes all 36 parcels on both sides of Ventura Boulevard (one parcel deep) known as the Tarzana Safari Walk Business Corridor between Burbank Blvd./Crebs Avenue on the west and Reseda Boulevard on the east. There is one benefit zone within the proposed renewed District.

Boundary Rationale

The District extends along both sides of Ventura Boulevard between Crebs Avenue/Burbank Boulevard on the west and Reseda Boulevard on the east. It is noted that all parcels within the BID will be assessed for their Ventura Boulevard street frontage while the corner parcels on Reseda Boulevard, Mecca Avenue, Amigo Avenue, Yolanda Avenue, Crebs Avenue and Burbank Boulevard will also be assessed for side streets frontages where BID funded services are also provided. The assessed parcels currently are a mix of retail, office, service, restaurant and commercial parking uses. The areas adjacent to the TSWBID to the east and west are generally commercially zoned with commercial uses while the areas to the north and south of the TSWBID are generally zoned residential with residential uses ranging from single family dwellings to multi-family apartments. The Central Business District has the unique designation of being a pedestrian oriented area according to the Los Angeles Department of City Planning.

Northern Boundary: The northern boundary of the Tarzana Safari Walk Business Improvement District is the east/west alley lying generally parallel to and midway between Burbank Boulevard/Clark Street and Ventura Boulevard. The properties to the north of the northern boundary are primarily zoned residential and developed with multi-family residential uses. In keeping with State law (Section 36632 Streets and Highways Code) that conclusively presumes that parcels zoned solely residential do not benefit from BID funded programs, services and activities, these parcels north of the northern boundary are not included in the BID.

Commercial zoning along the Ventura Boulevard Corridor is generally only one parcel deep. APN 2160-006-037 has a split zoning of C-2 and R-3. The northern R-3 zoned portion of this parcel is used exclusively for commercial parking related to the commercial building and uses on the southern C-2 portion. No residential units or uses exist on this parcel. It is noted that this parcel extends north all the way to Clark Street since no public alley way exists within this parcel or at its northern edge, as is the case with all other parcels on this block. It is the opinion of this Assessment Engineer, that this entire parcel, including the R-3 portion, shall be fully assessed in that special benefits will be conferred on this entire commercially used parcel.

In order to ensure that parcels north of the northern boundary will not specifically benefit from BID funded services and improvements, no BID funded programs, services and improvements will be provided north of the northern boundary, only south of the northern boundary within the TSWBID.

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Eastern Boundary: The eastern boundary of the TSWBID is Reseda Boulevard. While the properties to the east of the eastern boundary along Ventura Boulevard are commercial, these businesses to the east represent a different culture with auto related uses and other businesses that do not promote the pedestrian oriented physical characteristics of the TSWBID. These properties are not considered part of the Tarzana Community Central Business District and have different marketing needs. The Tarzana Central Business District within the BID has the unique designation of being a pedestrian oriented business area in accordance with the Los Angeles Department of City Planning. The type of retail and commercial activities allowed in this pedestrian oriented area are more restrictive than would be permitted for the commercial establishments to the east along Ventura Boulevard. In order to ensure that parcels east of the eastern boundary will not specially benefit from BID funded services and improvements, no BID funded programs, services and improvements will be provided east of the eastern boundary, only west of the eastern boundary within the TSWBID.

Southern Boundary: The southern boundary of the Tarzana Safari Walk Business Improvement District is the east/west alley lying generally parallel to, and south of, Ventura Boulevard and Redwing Street between Rhea Avenue and Yolanda Avenue. The properties to the south of the southern boundary are zoned residential and developed with single family residential uses and, in keeping with State law (Section 36632 Streets and Highways Code) that conclusively presumes that residential zoned parcels do not benefit from BID funded programs, services and activities, these parcels south of the southern boundary are not included in the BID.

Commercial zoning along the Ventura Boulevard Corridor is generally only one parcel deep extending to said alley south of Ventura Boulevard. It is noted that APN 2161-026-005 is zoned C-2 with commercial uses on it and extends all the way south to Redwing Street and has no east/west alley extending through it or tangent to it. The air space on a southern portion of this parcel has been re-zoned, subdivided and developed with 10 residential condominiums (APN 2161-026-006 to 020). It is the opinion of this Assessment Engineer that the subdivided residential condominium air space(s) over the southern portion of this parcel will not specially benefit from the BID funded programs, activities and services and thus are not included within the precise boundaries of the TSWBID and will not be assessed.

In order to ensure that parcels south of the southern boundary will not specially benefit from BID funded services and improvements, no BID funded programs, services and improvements will be provided south of the southern boundary, only north of the southern boundary within the TSWBID.

Western Boundary: The western boundary of the TSWBID is Burbank Boulevard/Crebs Avenue. While the properties to the west of the western boundary along Ventura Boulevard are commercial, the businesses to the west represent a different culture with auto related uses and other businesses that do not promote the pedestrian oriented physical characteristics of the TSWBID. The Tarzana Central Business District within the BID has the unique designation of being a pedestrian oriented business area in accordance with the Los Angeles Department of City Planning and development strategy. The type of retail and commercial activities allowed in this pedestrian oriented area are more restrictive than would be permitted for the commercial establishments to the west along Ventura Boulevard.

In order to ensure that parcels west of the western boundary will not specially benefit from BID funded services and improvements, no BID funded programs, services and improvements will be provided west of the western boundary, only east of the western boundary within the TSWBID.

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A list of all parcels included in the proposed renewed TSWBID is shown as Appendix 1, attached to this Plan with their respective Los Angeles County assessor parcel number. The boundary of the proposed renewed TSWBID is shown on the map of the proposed renewed TSWBID attached as Appendix 2 to this Report.

All identified parcels within the above-described boundaries shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in the Management District Plan and this Report. All TSWBID funded services, programs and improvements provided within the above described boundaries shall confer special benefit to identified assessed parcels inside the District boundaries and none will be provided outside of the District. Each assessed parcel within the TSWBID will proportionately specially benefit from the District funded programs and services such as supplemental Beautification and Streetscape Improvements, District Identity/Marketing and Promotions, and Administration and Management. These services, programs and improvements are intended to improve commerce, employment, rents and occupancy rates and investment return of individually assessed parcels and businesses on them within the TSWBID. The TSWBID confers special benefits on each and every individually assessed parcel by improving aesthetics of each assessed parcel and promoting pedestrian marketing within the District, all considered necessary in a competitive properly managed business district. All District funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Los Angeles and are only provided for the special benefit of assessed parcels within the boundaries of the proposed renewed TSWBID.

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

QUANTITATIVE BENEFIT ANALYSIS

As stipulated in Article XIID Section 4(b) of the California Constitution, assessment district programs and activities confer a combination of general and special benefits to properties, but the only program benefits that can be assessed are those that provide special benefit to the assessed properties. 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”. “Special benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.

The property uses within the boundaries of the PBID that will receive special benefits from PBID funded programs and services are currently a mix of retail, office, restaurant, and parking. Services, programs and improvements provided and funded by the PBID (Beautification and Streetscape Improvements, District Identity/Marketing and Promotions, Administration and Management) are primarily designed to provide special benefits as described below to the identified assessed parcels and the land uses within the boundaries of the TSWBID.

The proposed PBID programs, improvements and services and Year 1 – 2018 budget allocation by Zone are as follows:

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Year 1 – 2018 District Special Benefit Budget By Zone (Assessment Revenue Only)

| TARZANA SAFARI WALK BID | | |
|--|--------------------|------------|
| BID Year | 1 | |
| Operation Year | 2018 | |
| <u>Work Plan Elements</u> | | % |
| 1. Beautification/Streetscape Improvements | \$29,639.75 | 42% |
| 2. District Identity/Marketing/Promotions | \$16,937.00 | 24% |
| 3. Administration/Management | <u>\$23,994.08</u> | <u>34%</u> |
| Total | \$70,570.83 | 100% |

Assessed District parcels with retail, service, office, restaurants and commercial parking uses are conferred proportionate special benefits from all TSWBID funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants and investors for the special benefit of each of these assessed parcels. TSWBID programs, services and improvements for these assessed parcels are designed to increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. TSWBID programs, services and improvements are designed to improve commerce and the aesthetic appeal of each of these assessed parcels. Services provided to reduce litter and debris improve the visual appeal of each assessed parcel. Marketing services increases pedestrian activity to each of these assessed parcels, all considered necessary in a competitive properly managed mixed-use business district.

These benefits are particular and distinct to each and every identified and assessed parcel within the TSWBID and are not provided to non-assessed parcels outside of the TSWBID. These programs, services and improvements will only be provided for each individual assessed parcel within the PBID boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

In the case of the TSWBID, the very nature of the purpose of this TSWBID is to fund supplemental programs, services and improvements to assessed parcels within the PBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The City of Los Angeles does not provide these programs and services. All benefits derived from the assessments to be levied on assessed parcels within the PBID are for services, programs and improvements directly benefiting each individual assessed parcel within the PBID. No PBID funded services, activities or programs will be provided outside of the PBID boundaries.

While every attempt is made to provide PBID services and programs to confer benefits only to those identified assessed parcels within the PBID, the California State Constitution was amended via Proposition 218 to stipulate that general benefits exist, either by design or unintentional, in all assessment districts and that a portion of the program costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues. General benefits might be conferred on parcels within the TSWBID, or "spillover" onto parcels surrounding the TSWBID, or to the public at large who might be passing through the TSWBID with no intention of transacting business within the TSWBID or interest in the TSWBID itself.

Empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district tend to range from 2-6% of the total costs. There are three methods that have been used by this Engineer for determining general and special benefit values within assessment districts:

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- (1) The parcel by parcel allocation method
- (2) The program/activity line item allocation method, and
- (3) The composite district overlay determinant method.

A majority of PBIDs in California for which this Assessment Engineer has provided assessment engineering services since the enactment of Proposition 218, (Article XIID Section 4(b) of the California Constitution) have used Method #3, the composite district overlay determinant method which will be used for the TSWBID. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the TSWBID, general benefit to the public at large within the TSWBID and general benefit to parcels outside the TSWBID.

General Benefit – Assessed Parcels within the TSWBID

PBID funded programs are narrowly designed and carefully implemented to specially benefit the assessed TSWBID parcels and are only provided for the special benefit to each and every assessed parcel within the TSWBID. It is the opinion of this Engineer, based on over 30 years of professional assessment engineering experience, that in the TSWBID, 100% of benefits conferred on assessed parcels within the District are distinct and special and that the general benefits conferred on assessed parcels within the SPBID is 0%. This is because the PBID funded programs and services are specially geared to the unique needs of each assessed parcel within the PBID and are directed specially only to these assessed parcels within the PBID. This concept is further reinforced by the proportionality of special benefits conferred on each assessed parcel within the TSWBID as determined by the special benefit assessment formula as it is applied to the unique and varying property characteristics unique to each assessed parcel.

General Benefit - Public At Large

While the TSWBID funded programs are narrowly designed and carefully implemented to specially benefit the assessed TSWBID parcels and are only provided for the special benefit to each and every assessed parcel within the TSWBID, these PBID funded programs may also provide an incidental general benefit to the public at large within the TSWBID. Assessment Engineering experience in California has found that generally over 95% of people moving about within PBID boundaries are engaged in business related to assessed parcels and businesses contained on them within the TSWBID, while the public at large “just passing through” is typically 5% or less. It is the opinion of this Engineer that the only element that may provide immediate general benefits to the public at large would be Administration and Management (Year 1 estimated cost of \$23,994.08 - 34% of total budget). Based on experience curves and the nature of the proposed TSWBID funded programs and over 30 years of assessment engineering experience, it is the opinion of this Engineer that a conservative general benefit factor of 0.02 (2%) of PBID funded special benefit program costs that might provide an immediate general benefit to the public at large will be applied to these applicable program costs in order to compute the dollar and percent value of general benefits to the public at large. The dollar value of this general benefit type equates to \$163.16 as delineated in the following Table:

| | A | B | C | D | E |
|---------------------------|--------------------------|---|-------------------------------|--|--------------------------------------|
| Program Element | Dollar Allocation | % Allocation of Special Benefit Cost | General Benefit Factor | General Benefit Percent (B x C) | General Benefit Value (D x A) |
| At Large General Benefits | \$23,994.08 | 34.00% | 0.02 | 0.68% | \$163.16 |

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General Benefits – Spillover to Outside Parcels

While District programs and services will not be provided directly to parcels outside the TSWBID boundaries, it is reasonable to conclude that TSWBID services may confer an indirect spillover general benefit on parcels adjacent to the TSWBID boundaries. An inventory of the TSWBID boundaries finds that the District is surrounded by 7 commercial zoned parcels with commercial uses located immediately outside the perimeter of the TSWBID. In addition, there are 35 residentially zoned parcels with residential uses located adjacent to or across the street from assessed parcels within the TSWBID.

The 42 parcels directly outside the TSWBID boundaries can reasonably be assumed to receive some indirect general benefit as a result of PBID funded programs, services and improvements. Based on over 30 years of assessment engineering experience, it is the opinion of this Engineer that a benefit factor of 1.0 be attributed to the 36 assessed parcels within the TSWBID, a benefit factor of 0.05 be attributed to general benefits conferred on the 7 commercial parcels and uses located immediately outside the TSWBID, and a benefit factor of 0.005 be attributed to general benefits conferred on the 35 non-commercial parcels and uses located adjacent to or across the street from assessed parcels within the TSWBID. The cumulative dollar value of this general benefit type equates to \$1,039.06 (\$686.02+\$353.04) as delineated in the following Table:

| Parcel Type | Quantity | Benefit Factor | Benefit Units | Benefit Percent | Benefit Value |
|--|-----------------|-----------------------|----------------------|------------------------|----------------------|
| Assessed parcels within TSWBID | 36 | 1.00 | 36.00 | 98.549% | \$70,570.83 |
| Commercial parcels outside of TSWBID | 7 | 0.05 | 0.35 | 0.958% | \$686.02 |
| Non-commercial use parcels outside of TSWBID | 35 | 0.005 | <u>0.18</u> | <u>0.493%</u> | <u>\$353.04</u> |
| TOTAL | | | 36.53 | 100.00% | \$71,609.89 |

Composite General Benefit

Based on the general benefit values delineated in the three sections above, the total value of general benefits conferred on assessed parcels within the TSWBID, the public at large and spillover to parcels outside the TSWBID equates to \$1,202.22 (\$163.16 + \$1,039.06) or 1.68%. This leaves a value of 98.32% assigned to special benefit related costs. The general benefit value of \$1,202.22 when added to the special benefit value of \$70,570.83 (Year 1 – 2017/18 assessments) equates to a total Year 1 – 2018 adjusted program cost of \$71,773.05. Remaining costs that are attributed to general benefits, will need to be derived from other sources such as grants, donations, credits, sponsors and program income.

A breakdown of projected special and general benefit costs for each program element for each year of the 5-year renewal term is shown in the following Table:

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5-Year Special + General Benefit Costs By Zone

| SPECIAL + GENERAL BENEFIT COSTS BY CATEGORY & ZONE | | | | |
|---|----------------------------------|---|--|--------------------|
| YEAR 1 - 2018 | Administration Management | District Identity Marketing Promotions | Beautification Streetscape Improvements | Total |
| Total Yr 1 Special Benefit Costs | \$23,994.08 | \$16,937.00 | \$29,639.75 | \$70,570.83 |
| Total Yr 1 General Benefit Costs | \$408.75 | \$288.53 | \$504.93 | \$1,202.22 |
| TOTAL YR 1 - 2018 COSTS | \$24,402.83 | \$17,225.53 | \$30,144.68 | \$71,773.05 |
| | | | | |
| YEAR 2 - 2019 | | | | |
| TOTAL YR 2 Special Benefit Costs | \$25,193.78 | \$17,783.85 | \$31,121.74 | \$74,099.37 |
| TOTAL YR 2 General Benefit Costs | \$429.19 | \$302.96 | \$530.18 | \$1,262.33 |
| TOTAL YR 2 - 2019 COSTS | \$25,622.98 | \$18,086.81 | \$31,651.92 | \$75,361.70 |
| | | | | |
| YEAR 3 - 2020 | | | | |
| TOTAL YR 3 Special Benefit Costs | \$26,453.47 | \$18,673.04 | \$32,677.82 | \$77,804.34 |
| TOTAL YR 3 General Benefit Costs | \$450.65 | \$318.11 | \$556.69 | \$1,325.45 |
| TOTAL YR 3 - 2020 COSTS | \$26,904.13 | \$18,991.15 | \$33,234.51 | \$79,129.79 |
| | | | | |
| YEAR 4 - 2021 | | | | |
| TOTAL YR 4 Special Benefit Costs | \$27,776.15 | \$19,606.69 | \$34,311.72 | \$81,694.56 |
| TOTAL YR 4 General Benefit Costs | \$473.18 | \$334.01 | \$584.52 | \$1,391.72 |
| TOTAL YR 4 - 2021 COSTS | \$28,249.33 | \$19,940.71 | \$34,896.24 | \$83,086.28 |
| | | | | |
| YEAR 5 - 2022 | | | | |
| TOTAL YR 5 Special Benefit Costs | \$29,164.95 | \$20,587.03 | \$36,027.30 | \$85,779.28 |
| TOTAL YR 5 General Benefit Costs | \$496.84 | \$350.71 | \$613.75 | \$1,461.30 |
| TOTAL YR 5 - 2022 COSTS | \$29,661.80 | \$20,937.74 | \$36,641.05 | \$87,240.59 |

PBID WORK PLAN

Overview

The Programs and activities to be funded by the TSWBID include Beautification & Streetscape Improvements; District identity & Marketing/Promotions; and, Administration and Management. The property uses within the boundaries of the PBID that will receive special benefits from PBID funded programs, services and improvements are currently a mix of retail, service, office, restaurant and commercial parking. PBID funded activities are primarily designed to provide special benefits as described below to the identified assessed parcels and array of land uses within the boundaries of the PBID.

Assessed District parcels with retail, office, restaurant, service and commercial parking uses are conferred proportionate special benefits from all TSWBID funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants and investors for the special benefit of each of these assessed parcels. TSWBID programs, services and improvements for these assessed parcels are designed to increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. TSWBID programs, services and improvements are designed to improve commerce and the aesthetic appeal of each of these assessed parcels. Services

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provided to reduce litter and debris improve the visual appeal of each assessed parcel. Marketing services increases pedestrian activity to each of these assessed parcels, all considered necessary in a competitive properly managed mixed-use business district.

These benefits are particular and distinct for each and every identified and assessed parcel within the TSWBID and are not provided to non-assessed parcels outside of the PBID. These programs, services and improvements will only be provided to each individual assessed parcel within the PBID boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

In the case of the TSWBID, the very nature of the purpose of this PBID is to fund supplemental programs, services and improvements to assessed parcels within the PBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The City of Los Angeles does not provide these programs and services. All benefits derived from the assessments to be levied on assessed parcels within the PBID are for services, programs and improvements directly benefiting each individual assessed parcel within the PBID. No PBID funded services, activities or programs will be provided outside of the PBID boundaries.

The projected program special benefit cost allocation of the PBID assessment revenues for the 5-year PBID term assuming a 5% maximum annual assessment rate increase is shown in the Table on page 14 of this Report.

WORK PLAN DETAILS

The following programs, services and improvements are proposed by the renewed TSWBID to specially benefit each and every individually assessed parcel within the District boundaries. TSWBID services, programs and improvements will not be provided to parcels outside the District boundary.

1. Beautification and Streetscape Improvements

Beautification

Beautification services include:

- Trash removal – picked up weekly from TSWBID receptacles
- Litter and debris – weekly sweeping and removal from sidewalks and gutters
- Tree trimming – periodically, as needed
- Weed abatement - periodically, as needed
- Trash receptacle and decorative TSWBID medallion repair/replacement – as needed
- Graffiti removal – as needed

Beautification Services are designed to improve the physical appearance of each assessed District parcel by removing litter and debris and other negative physical factors for the special benefit of each assessed parcel. Assessed District parcels specially benefit from the Beautification Services by attracting more customers, users, visitors, employees, tenants and investors for the special benefit of each of these assessed parcels. Beautification Services are designed to increase pedestrian activity, business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments for each and every one of the assessed parcels within the District. Beautification Services will only be provided to parcels within the TSWBID boundaries and none outside of the District.

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Streetscape Improvements

Streetscape Improvements include:

- Decorative District-branded pedestrian crosswalks
- Unique District-branded sidewalk paver installations
- Street signal improvements
- Tree plantings for beautification
- Decorative lighting

Streetscape Improvements are designed to improve the physical appearance of each of the assessed District parcels by creating a unique enhanced physical identity for the special benefit of each of the assessed parcels within the District, distinguishable from other nearby competing business districts. Assessed District parcels will specially benefit from the Streetscape Improvements by attracting more customers, users, visitors, employees, tenants and investors for the special benefit of each of these assessed parcels. Streetscape Improvements are designed to increase pedestrian activity, business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments for each and every one of the assessed parcels within the District. Streetscape Improvements will only be installed within the BID boundaries adjacent to assessed parcels and none installed outside of the District.

2. District Identity/Marketing/Promotion Programs

District Identity/Marketing/Promotion Programs include: website development and updates, newsletter publication, branding and marketing program development, advertising, District promotional banners, public relations activities and special events. District Identity/Marketing/Promotion Programs also include business attraction, recruitment and retention which involves preparation of public relations and promotional materials; marketing programs and activities; market and economic analysis, forecasts, and development plans; and targeted outreach. Special events may include concerts and street festivals. Each marketing initiative and special event is designed to build upon a positive District identity already developed by past TSWBID marketing and promotional efforts.

District Identity/Marketing/Promotion Programs are designed to increase vehicle, pedestrian and visitor traffic to the District and, in turn, increase exposure and visibility to assessed TSWBID parcels and their businesses and other attractions within the District. The District Identity/Marketing/Promotion Programs will only be provided for individually-assessed parcels within the District boundaries, and will provide a special benefit to those parcels by increasing pedestrian and automobile traffic within the District, which will increase commerce and attract and retain businesses in the District. Parcels outside of the District boundaries will not receive these programs or any special benefit from these services.

Assessed District parcels specially benefit from District Identity/Marketing/Promotion Programs by attracting more customers, users, visitors, employees, tenants and investors for the special benefit of each of these assessed parcels. District Identity/Marketing/Promotion Programs are designed to increase exposure of each of these assessed parcels by actively promoting the goods and services and other amenities available from assessed parcels within the District and thus increasing commerce.

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4. Administration/Management

Included in the Administration/Management are the costs for internal staffing, overhead, accounting, legal, bank charges, annual report and Directors and Officers and General Liability insurance and other office and operation expenses. Administration/Management also includes City fees and County collection fees, allowance for delinquent assessment payments and other variable expenses related to each program element.

Funds will only be spent for special benefit to the individually-assessed parcels in the District, on expenses within the confines of the Management District Plan and this Report. If at the time of District expiration there are funds remaining and owners wish to renew the District, those funds could be used for the costs of District renewal.

Each assessed parcel within the TSWBID will receive proportionate special benefits from Administration/Management in that this work plan element is key to the proper expenditure of TSWBID assessment funds and the administration of District programs and activities. This component exists only for the purposes of the TSWBID and will only be provided for matters specially benefitting each individual assessed parcel within the TSWBID.

In summary, all District funded services, programs and improvements described above confer special benefits to identified assessed parcels inside the District boundaries and none will be provided outside of the District. Each assessed parcel within the TSWBID will proportionately specially benefit from the Beautification/Streetscape Improvements; District Identity/Marketing/Promotions; and, Administration/ Management. These services, programs and improvements are intended to improve commerce, employment, rents, occupancy rates and investment return of parcels and businesses within the TSWBID by reducing litter and debris and professionally marketing goods, services and spaces available within the District, all considered necessary in a competitive properly managed contemporary business district. A District that is dirty, not maintained nor managed well, will deter commerce and reduce competitiveness in the marketplace. All District funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Los Angeles and are only provided for the special benefit of each and every assessed parcel within the boundaries of the TSWBID.

WORK PLAN BUDGET

Each identified parcel within the TSWBID will be assessed the full amount of the proportionate special benefit conferred upon it based on the level of PBID funded services provided within each benefit zone. The projected PBID program special benefit (assessment) cost allocation budget for Year 1 (2018) is shown in the following Table:

TSWBID Year 1 (2018) Assessment Budget

| TARZANA SAFARI WALK BID | | |
|--|-------------|------|
| BID Year | 1 | |
| Operation Year | 2018 | |
| <u>Work Plan Elements</u> | | % |
| 1. Beautification/Streetscape Improvements | \$29,639.75 | 42% |
| 2. District Identity/Marketing/Promotions | \$16,937.00 | 24% |
| 3. Administration/Management | \$23,994.08 | 34% |
| Total | \$70,570.83 | 100% |

TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

In order to carry out the PBID programs outlined in the previous section, a first-year assessment budget of \$70,570.83 is needed. Since the renewed PBID is planned for a 5- year term, projected program costs for future years (Years 2-5) are set at the inception of the PBID. While future inflationary and other program cost increases are unknown at this point, a built in maximum increase of 5% per annum is incorporated into the projected program costs and assessment rates for the 5-year PBID term. Carryovers, if any, may be reapportioned the following year for related programs, services and improvements. Detailed annual budgets will be prepared by the Owners Association Board and included in an Annual Plan for the City Council’s review and approval.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year during the 5-year term of the proposed renewed PBID. Accordingly, the Owners Association can reallocate up to 10% of any budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Owners Association Board and included in the Annual Planning Report that will be approved by the Los Angeles City Council pursuant to Streets and Highways Code Section 36650. Any accrued interest or delinquent payments may be expended in any budget category.

A 5-year projected TSWBID budget is shown in the following Table:

YEAR 1-5 PROJECED PBID BUDGET SUMMARY (Special Benefit Costs)
 (Assumes 5% max rate increase per year)

| TARZANA SAFARI WALK BID | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| BID Year | 1 | 2 | 3 | 4 | 5 |
| Operation Year | 2018 | 2019 | 2020 | 2021 | 2022 |
| <u>Work Plan Elements</u> | | | | | |
| 1. Administration/Management | \$23,994.08 | \$25,193.78 | \$26,453.47 | \$27,776.15 | \$29,164.95 |
| 2. District Identity/Marketing/Promotions | \$16,937.00 | \$17,783.85 | \$18,673.04 | \$19,606.69 | \$20,587.03 |
| 3. Beautification/Streetscape Improvements | \$29,639.75 | \$31,121.74 | \$32,677.83 | \$34,311.72 | \$36,027.31 |
| Total | \$70,570.83 | \$74,099.37 | \$77,804.34 | \$81,694.56 | \$85,779.29 |

The TSWBID assessments may increase for each individual parcel each year during the 5-year renewal term, but in no event, shall the assessment rate increase exceed 5% and must be approved by the Owners Association Board of Directors, included in the Annual Planning Report and adopted by the City of Los Angeles City Council. Any accrued interest and delinquent payments will be expended within the budgeted categories. The Owners Association Board of the Directors (“Property Owners Association of the TSWBID) shall determine the percentage increase to the annual assessment and the methodology employed to determine the amount of the increase. The Owners’ Association Executive Director shall communicate the annual increase to the City each year in which the PBID operates at a time determined in the Administration Contract held between the Owners Association and the City of Los Angeles. No bonds are to be issued in conjunction with the proposed renewed PBID.

Pursuant to Section 36671 of the Streets and Highways Code, any funds remaining after the fifth year of operation will be rolled over into the renewal budget or returned to stakeholders. PBID assessment funds may be used to pay for costs related to the following PBID renewal term. If the PBID is not renewed or terminated for any reason, unexpended funds will be returned to the property owners.

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.

Each identified parcel within the district will be assessed based on property characteristics unique only to that parcel. Based on the specific needs and corresponding nature of the program activities to be funded by the proposed TSWBID (Beautification and Streetscape Improvements, District Identity/Marketing and Promotions and Administration and Management). It is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of land area and street frontage within one benefit zone.

The calculated assessment rates are applied to the actual measured parameters of each parcel and thereby are proportional to each and every other identified parcel within the district as a whole. Larger parcels and ones with larger street frontages are expected to impact the demand for services and programs to a greater extent than smaller parcels and ones with smaller street frontages and thus, are assigned a greater proportionate degree of assessment program and service costs. The proportionality is further achieved by setting targeted formula component weights for the respective parcel by parcel identified property attributes.

The proportionate special benefit cost for each parcel has been calculated based on proportionate formula components and is listed as an attachment to the Management District Plan and this Report. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) is 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 would be possible through the proposed TSWBID, they are also considerably less than other options considered by the TSWBID Renewal Committee. The actual assessment rates for each parcel within the PBID directly relate to the level of service and, in turn, special benefit to be conferred on each parcel based on the respective building area and/or land area of each parcel within one benefit zone.

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

The State Constitution - Article 13D (Proposition 218) states that “parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit.”

There are currently no publicly owned parcels within the TSWBID.

TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

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 proposed TSWBID.

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 in Appendix 1 to the Management District Plan and this Report. The proposed renewed District and resultant assessment levies will continue for 5 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 attributed to parcel land area and street frontage within one benefit zone.

Assessment Formula Methodology

Step 1. Select “Basic Benefit Unit(s)”

Background - Assessment Formula Development

The method used to determine special 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 TSWBID, the benefit unit may be measured in linear feet of street frontage or parcel size in square feet or building size in square feet or any combination of these factors. Factor quantities 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 different benefit that 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, various 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 Article XIID Section 4(b) of the California Constitution, and now required of all property based assessment Districts, indirect or general benefits costs 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, Article XIID Section 4(b) of the California Constitution also no longer automatically exempts publicly owned property from being assessed unless the respective public agency

TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

can provide clear and convincing evidence that their property does not specially benefit from the programs and services to be funded by the proposed special assessments. If special benefit is determined to be conferred upon such properties, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments. There are currently no publicly owned parcels within the TSWBID.

From the estimated net program costs, 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 benefitting 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.

TSWBID Assessment Formula

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed TSWBID (Beautification and Streetscape Improvements, District Identity/Marketing and Promotions, and Administration and Management) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of parcel land area and street frontage within one benefit zone.

The “Basic Benefit Units” will be expressed as a combined function of land square footage (Benefit Unit “A”) and street frontage (Benefit Unit “B”). Based on the shape of the proposed TSWBID, as well as the nature of the District program elements, it is determined that all identified properties will gain a direct and proportionate degree of special benefit based on the respective amount of land area and street frontage within one benefit zone.

For the land uses within the PBID, the interactive application of land area and street frontage quantities is a proven method of fairly and equitably spreading special benefit costs to these beneficiaries of PBID funded services, programs and improvements. Each of these factors directly relates to the degree of special benefit each assessed parcel will receive from PBID funded activities.

Land Area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on PBID funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, land area, should generate approximately 90% of the total PBID revenue (92.0431288%) when adjusted for precise parcel measurements and program costs and service levels).

Street Frontage is a direct measure of the static utilization of each parcel and its corresponding impact or draw on PBID funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, street frontage, should generate approximately 10% of the total PBID revenue (7.9568711%) when adjusted for precise parcel measurements and program costs and service levels.

TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

Step 2. Quantify Total Basic Benefit Units

Taking into account all identified specially benefiting parcels within the PBID and their respective assessable benefit units, the rates, cumulative quantities and assessment revenues by factor and zone are shown in the following Table:

Assessable Benefit Units; Year 1 –2017/18 Projected Assessment Revenue

| Quantity | | |
|-----------------------------|-------------------|-------------------|
| Land Area (sq ft) | 698,072 | |
| Street Frontage (lin ft) | 5,917.5 | |
| | | |
| Assessment Revenue | | Percent |
| Land Area | \$64,955.60 | 92.0431288% |
| Street Frontage | <u>\$5,615.23</u> | <u>7.9568711%</u> |
| | \$70,570.83 | 100.00% |
| | | |
| Assessment Rates | | |
| Land Area (\$/sq ft) | \$0.09305 | |
| Street Frontage (\$/lin ft) | \$0.94892 | |
| | | |

Step 3. Calculate Benefit Units for Each Property.

The number of Benefit Units for each identified benefiting parcel within the proposed TSWBID was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, building areas, 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 will be provided to each property owner in the PBID for their review. All known or reported discrepancies, errors or misinformation will be corrected.

Step 4. Determine Assessment Formula

In the opinion of this Engineer, the assessment formula for the proposed TSWBID is as follows:

$$\text{Assessment} = \text{Land Area (Unit A) Sq Ft} \times \text{Unit A Rate, plus} \\ \text{Street Frontage (Unit B) Lin Ft} \times \text{Unit B Rate}$$

Assessments are based on parcel land area and street frontage at the rates shown in the Table on above.

Assessment Special Provisions

Commercial and Mixed-Use Condominiums (Future, if any)

While there are no current commercial or mixed-use condominiums within the Tarzana BID, such units, if and when built, shall be assessed based upon the assessment methodology delineated below. Because such uses are typically developed as part of a multi-floor mixed-use complex, special methodologies are needed to address the levy of assessments on such land uses as follows:

TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

Multi-Floor Commercial Only Condominiums

- Land assessed at land area rate but pro-rated for each unit relative to total building area
- Frontage assessed at frontage rate but pro-rated relative to total building area

Multi-Floor Mixed-Use Condominiums

Commercial Condos

- Land assessed at land area rate but pro-rated for each unit relative to total commercial building area
- Frontage assessed at frontage rate but pro-rated relative to total commercial building area

Residential Condos

- Residential condo units shall not be assessed since building area is not assessed in the TSWBID nor would such uses specially benefit from BID funded programs, services and improvements.

Changes to Zoning

If the zoning of an individual assessed parcel changes during the term of the District, the assessment calculation may be modified accordingly.

Changes to Parcel Size

Any changes in parcel size as a result of land adjustments including but not limited to lot splits, consolidations, subdivisions, street dedications, right of way setbacks shall have their assessment adjusted upon final City approval of such parcel adjustments.

Other Future Development

Other than future maximum rates and the assessment methodology delineated in this Report, per State Law (Government Code Section 53750), future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or rates other than as stipulated in this Plan would require a new Proposition 218 ballot procedure in order to approve any such changes.

The complete Year 1 – 2017-18 assessment roll of all parcels to be assessed by this PBID is included in this Plan as Appendix I.

Assessment Formula Unit Rates

Using figures from the Assessable Benefit Units Table, the assessment rates for each factor and zone are calculated as follows:

TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

Land Area Rate (Unit A)

$$(\$70,570.83 \times 92.0431288\%) / 698,072 \text{ assessable land units} = \$0.09305/\text{sq ft}$$

Street Frontage Rate (Unit B)

$$(\$70,570.83 \times 7.9568711\%) / 5,917.5 \text{ assessable street frontage units} = \$0.94892/\text{lin ft}$$

Step 5. Estimate Total District Costs

The total projected 5-year special benefit costs for 2018 – 2022 of the PBID are shown in the Table on page 14 of this Report assuming a maximum 5% increase per year.

Step 6. Separate General Benefits from Special Benefits and Related Costs (Article XIID Section 4(b) of the California Constitution – Proposition 218)

Total adjusted costs are estimated at \$71,773.05. General benefits are factored at 1% of total (see Finding 2 on page 8 of this Report) with special benefits set at 98.32%. Article XIID Section 4(b) of the California Constitution limits the levy of property assessments to costs attributed to special benefits only. The 1.68% general benefit cost is computed to be \$1,202.22 with a resultant 98.32% special benefit limit computed at \$70,570.83. *Based on current data, zoning and land uses, this is the maximum amount of Year 1 (2017-18) revenue that can be derived from property assessments from the subject PBID.*

All program costs associated with general benefits will be derived from sources other than PBID assessments. Sample “other” revenue sources are shown in the following table:

Special and General Benefit Revenue Sources

| Revenue Source | Revenue | % of Total |
|--|--------------------|-------------------|
| PBID Assessments | \$70,570.83 | 98.32% |
| Grants, donations, sponsors, program income, etc | \$1,202.22 | 1.68% |
| TOTAL | \$71,773.05 | 100.0% |

Step 7. Calculate “Basic Unit Cost”

With a YR 1 - 2018 assessment revenue portion of the budget set at \$70,570.83 (special benefit only), the Basic Unit Costs are shown above in Step 4. Since the PBID is being proposed for a 5-year term, maximum assessments for future years (2019-2022) must be set at the inception of the proposed PBID. An annual inflationary assessment rate increase of up to 5% may be imposed for future year assessments, on approval by the PBID Property Owner’s Association. The maximum assessment rates for the 5-year proposed PBID term of 2018-2022 are shown in the table below. The assessment rates listed constitute the maximum assessment rates that may be imposed for each year of the proposed PBID term (2018-2022).

TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

TSWBID – 5-Year Maximum Assessment Rates

(Includes a 5%/Yr. Max Increase)

| TARZANA SAFARI WALK BID | | | | | |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| PBID Year | YR 1 | YR 2 | YR 3 | YR 4 | YR 5 |
| Operation Year | 2018 | 2019 | 2020 | 2021 | 2022 |
| Property Tax Year | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Land Area Rate | \$0.09305000 | \$0.09770250 | \$0.10258763 | \$0.10771701 | \$0.11310286 |
| Street Frontage Rate | \$0.94892000 | \$0.99636600 | \$1.04618430 | \$1.09849352 | \$1.15341819 |

Step 8. Spread the Assessments

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

Miscellaneous District Provisions

Time and Manner of Collecting Assessments:

Assessments for the Property Tax Year beginning July 1, 2017 and assessments for subsequent fiscal years, through and including the Fiscal Year ending June 30, 2022 (Operation Years 2018-2022) will be collected at the same time and in the same manner as ad valorem taxes paid to the County of Los Angeles. The District assessments shall appear as a separate line item on the property tax bills issued by the Los Angeles County Assessor. The City of Los Angeles is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement this Management District Plan. If necessary, a manual billing may be prepared by the City of Los Angeles in lieu of the assessment’s inclusion on the Assessor’s property tax bills for renewal Year 1 (2017-18).

Bonds:

No bonds are to be issued in conjunction with this proposed renewed PBID.

Duration

As allowed by State PBID Law, the District will have a five (5) year operational term from January 1, 2018 to December 31, 2022. The proposed renewed PBID operation is expected to begin services on January 1, 2018. If the District is not renewed, services will end on December 31, 2022.

APPENDIX 1

TARZANA SAFARI WALK BUSINESS IMPROVEMENT DISTRICT

YR 1 – 2017/2018

ASSESSMENT ROLL

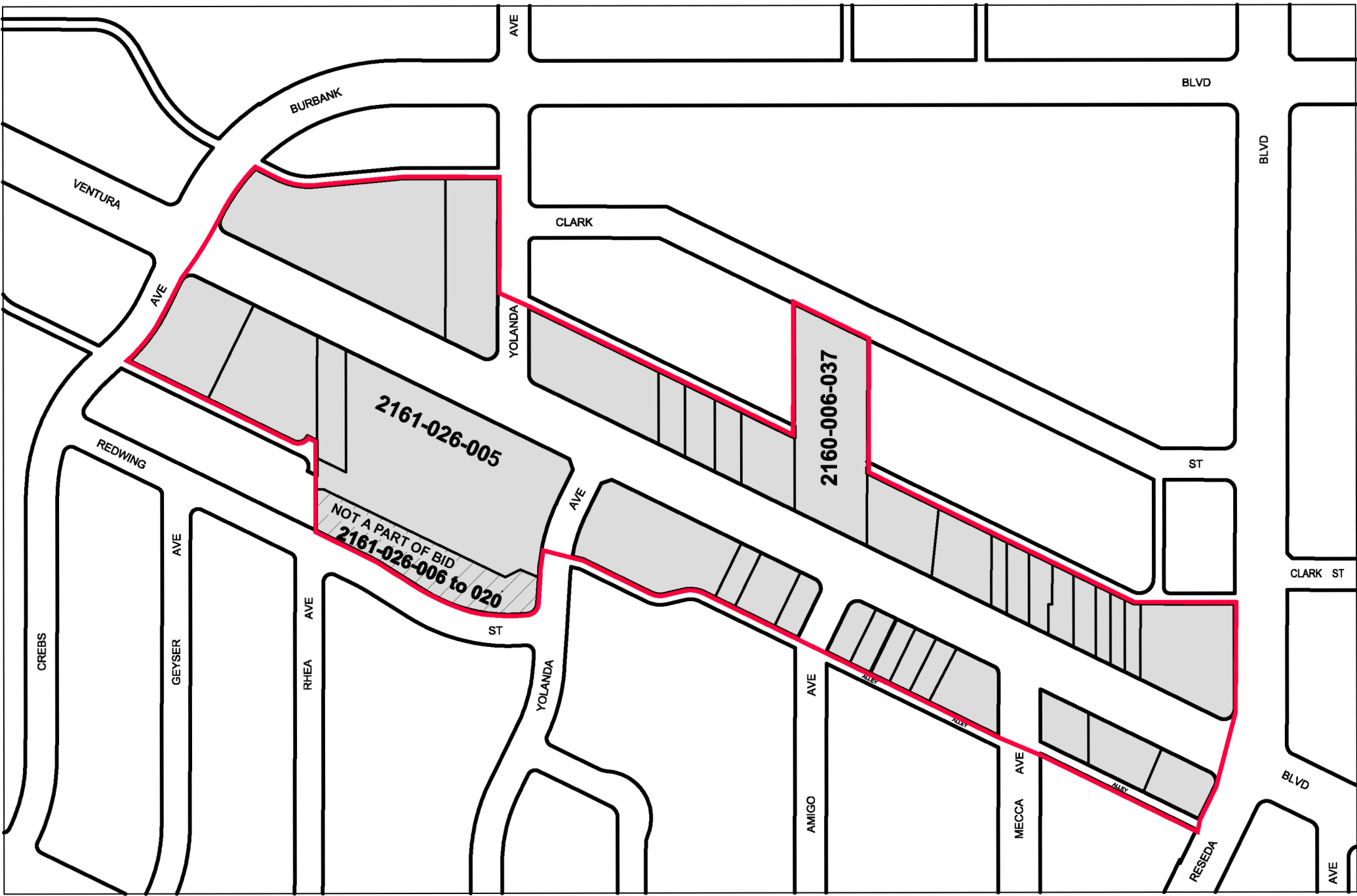
TARZANA SAFARI WALK BID RENEWAL – ASSESSMENT ENGINEER’S REPORT

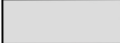

| APN | YR 1 – 2018 PBID Assessment |
|--------------|------------------------------------|
| 2160-002-005 | \$3,420.81 |
| 2160-002-050 | \$8,283.83 |
| 2160-006-009 | \$698.91 |
| 2160-006-010 | \$782.67 |
| 2160-006-011 | \$628.64 |
| 2160-006-028 | \$1,398.37 |
| 2160-006-037 | \$4,276.64 |
| 2160-006-038 | \$3,591.97 |
| 2160-007-007 | \$388.44 |
| 2160-007-008 | \$625.79 |
| 2160-007-010 | \$625.79 |
| 2160-007-011 | \$418.20 |
| 2160-007-026 | \$421.57 |
| 2160-007-027 | \$388.44 |
| 2160-007-028 | \$586.93 |
| 2160-007-029 | \$663.23 |
| 2160-007-034 | \$3,483.88 |
| 2160-007-036 | \$1,650.35 |
| 2160-007-037 | \$1,680.20 |
| 2161-008-018 | \$3,050.54 |
| 2161-008-020 | \$3,413.72 |
| 2161-015-010 | \$674.88 |
| 2161-015-011 | \$978.57 |
| 2161-015-012 | \$489.29 |
| 2161-015-019 | \$4,361.11 |
| 2161-016-003 | \$493.01 |
| 2161-016-004 | \$493.01 |
| 2161-016-006 | \$493.19 |
| 2161-016-007 | \$677.34 |
| 2161-016-050 | \$464.31 |
| 2161-016-051 | \$29.08 |
| 2161-016-052 | \$1,534.86 |
| 2161-017-009 | \$1,214.99 |
| 2161-017-023 | \$1,269.10 |
| 2161-017-024 | \$1,039.81 |
| 2161-026-005 | \$15,879.38 |


Appendix 2

TARZANA SAFARI WALK BUSINESS IMPROVEMENT DISTRICT

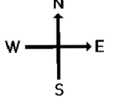
District Boundary Map



 B.I.D. PARCELS
 B.I.D. BOUNDARY
 Ordinance: 172154
 Council File: 96-0490

CAD GRAPHICS BY

JPL Zoning Services
 8257 Van Nuys Blvd #101
 Van Nuys, CA 91401
 (818)781-0016

TARZANA
 SAFARI WALK BUSINESS IMPROVEMENT DISTRICT


 NOT TO SCALE
 JPL- 8119