

**ENCINO COMMONS  
BUSINESS IMPROVEMENT DISTRICT**

*Being Renewed Under California Streets and Highways Code Section 36600 et seq.  
Property and Business Improvement District Act of 1994*

**DISTRICT  
ASSESSMENT ENGINEER'S  
REPORT**

**ATTACHMENT A**

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

*July 10, 2015*

**ENCINO COMMONS BID – ENGINEER’S REPORT**

**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 proposed Encino Commons Business Improvement District ("Encino BID") 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". The signature is written over a horizontal line that spans across the signature and the date.

RPE #26549 July 10, 2015

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 XIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied within the proposed Encino BID 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 Encino BID. It is noted that whole numbers shown in this Report may have been rounded up or down for simplicity.

*For the purposes of this Report, 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.*

## ENCINO COMMONS BID – ENGINEER’S REPORT

### Background

The Encino Commons BID 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 (“BID”), district program costs are to be distributed amongst all identified benefiting properties based on the proportional amount of special program benefit each property is expected to derive from the assessments levied. Within the Act, frequent references are made to the concept of relative “benefit” received from BID programs and activities versus amount of assessment paid. Only those properties expected to derive special benefits from BID 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 Encino BID. 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 Encino BID, these supplemental requirements will be taken into account. The key provisions of Article XIID along with a description of how the Encino BID 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 73 parcels within the proposed Encino BID that are “identified” by this Assessment Engineer as assessable parcels that will derive 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. marketing; streetscape services/improvements, program management; and, operating expenses) will only be provided directly for the benefit of the identified parcels. 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 and common site address. Any future development and/or land subdivisions will adhere to the assessment rate structures described herein. There is one benefit zone within the proposed renewed District.

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### Setting

The proposed renewed Encino 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 which will receive special benefits from BID funded programs and services are currently a mix of general commercial, retail, service, office and commercial parking.

### Boundary Description

The Encino BID includes all parcels (73) in the area fronting along Ventura Boulevard known as the Encino Commons Business Corridor between White Oak Avenue on the west and Balboa Boulevard on the east. Only parcels with Ventura Boulevard frontage are included in the BID. The street address range of included parcels and businesses is 16928-17660 Ventura Boulevard. A list of all parcels included in the proposed renewed Encino BID is shown as Appendix A, attached to this Report with their respective Los Angeles County assessor parcel number and common site addresses. The boundary of the proposed renewed Encino BID and parcels within it are shown on the map of the District attached as Appendix 2 to this Report.

### Boundary Justification

The areas along Ventura Boulevard west and east of the renewed Encino BID are commercial uses and zoning while all areas north and south of the BID are residential uses and zoning. State PBID Law (Section 36632 Streets and Highways Code) states: Properties zoned solely for residential use.....are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessments pursuant to this part. It is noted that no parcels within the proposed Encino BID are zoned solely residential.

### Northern Boundary

The northern boundary of the renewed Encino BID coincides with the rear property lines of all commercial parcels fronting on the north side of Ventura Boulevard between White Oak Avenue on the west and Balboa Boulevard on the east. All parcels north of the northern BID boundary are zoned solely residential and developed mainly with single family residences with a few multi-family residential structures. There are a few residential zoned parcels used for surface parking for the businesses along Ventura Boulevard and a government facility - all allowable uses on R-zoned parcels. But as stated above, State PBID Law precludes parcels zoned solely residential, regardless of the current land use, from being assessed. Thus, no parcels zoned solely residential north of the northern BID boundary are included in the renewed Encino BID.

There is one government owned parcel in the renewed BID boundaries, a public park owned by the City of Los Angeles. The park fronts the north side of Ventura Boulevard between Paso Robles Avenue and Genesta Avenue. The City’s Department of Recreation and Parks provides complete streetscape and landscape services to the grassy parkways adjacent to the park and the park’s interior. The BID will not provide any services to this block, will not direct any special projects that include the park, nor will the BID feature the park in the quarterly newsletters or website. Inasmuch

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as the BID programs and services are designed to improve commerce and the park has no commercial activities, the park will not specially benefit from BID funded programs and services. For these reasons, this City park parcel will not be assessed.

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

### Southern Boundary

The southern boundary of the proposed renewed Encino BID coincides with the rear property lines of all commercial parcels fronting on the south side of Ventura Boulevard between White Oak Avenue on the west and Balboa Boulevard on the east. All parcels south of the southern BID boundary are zoned solely residential and developed mainly with single family residences with a few multi-family residential structures. There are a few residential zoned parcels used for surface parking for the businesses along Ventura Boulevard and a church - all allowable uses on R-zoned parcels. But as stated above, State PBID Law precludes parcels zoned solely residential, regardless of the current land use, from being assessed. Thus, no parcels zoned solely residential south of the southern BID boundary are included in the proposed renewed Encino BID.

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

### Eastern & Western Boundary

The eastern boundary of the proposed Encino BID is the intersection of Ventura Boulevard and Balboa Boulevard while the western boundary is the intersection of Ventura Boulevard and White Oak Avenue. The parcels and land uses east of Balboa Boulevard and west of White Oak Avenue along Ventura Boulevard, while commercial in nature, are not considered as part of the Encino Commons business district by either the business and property owners nor the customer base. Ventura Boulevard is an expansive commercial corridor that traverses the entire San Fernando Valley. Each micro-business community along this major commercial highway have attempted to create their own sense of place for shopping, dining and services by the nearby surrounding residential neighborhoods. Through this planning and economic development process, numerous small business improvement districts have been established along the Ventura Boulevard corridor with Encino Commons BID being one – each creating their own unique central business district and sense of place and arrival with identifiable landscaping and other street furniture, signage and other physical enhancements. For these reasons, the eastern and western boundaries of the proposed renewed Encino BID have been set at White Oak Avenue and Balboa Boulevard.

In order to ensure that parcels east of the eastern boundary will not specially benefit from BID funded services and improvements, no BID services and improvements will be provided east of the centerline of Balboa Avenue, only west

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of said centerline within the Encino BID boundaries. Similarly, in order to ensure that parcels west of the western boundary will not specially benefit from BID funded services and improvements, no BID services and improvements will be provided west of the centerline of White Oak Avenue, only east of said centerline within the Encino BID boundaries.

There is one benefit zone within the proposed renewed District. All assessed parcels will receive 100% of their proportionate special benefit from BID funded services and will be assessed at the rate of \$0.049 per square foot of building area, \$0.0135 per square foot of parcel land area and \$3.336 per linear foot of street frontage as delineated in this Report. These rates and the resulting assessment revenue are reflected in the budget and the corresponding proportionate special benefits conferred on each assessed parcel within the Encino BID.

All identified parcels within the above-described boundaries shall be assessed to fund special benefit programs, services and improvements as outlined in this Report as well as the Management District Plan. Services, programs and improvements will only be provided to the assessed parcels inside the District boundaries and none will be provided outside of the District boundaries. Each assessed parcel and land use within the Encino BID will proportionately benefit from the BID funded supplemental marketing, streetscape services/improvements, program management and operating expenses.

The array of uses within the proposed renewed Encino BID include: general commercial, retail, office, and commercial parking. Each of these uses and assessed parcels specially benefit from BID funded programs, services and improvements by potentially attracting more commercial clients, employees, tenants and investors as a result of these programs, services and improvements. This, in turn, may also increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. These programs, services and improvements are designed to improve commerce and aesthetic appeal for each assessed parcel within the BID and their patrons, visitors and employees by reducing litter and debris and professionally marketing goods and services available within the BID, all considered necessary in a competitive properly managed business district.

All BID funded services 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 Encino BID. “Special benefit” is defined in “Finding 2” of this Engineer’s Report.

**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 XIIIID 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

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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 BID that will receive special benefits from BID funded programs and services are currently a mix of general commercial, retail, service, office and commercial parking. Services, programs and improvements provided and funded by the BID are primarily designed to provide special benefits as described below to identified assessed parcels and the commercial land uses within the boundaries of the District.

The proposed BID programs, improvements and services are as follows (see pages 10-13 for more detailed descriptions of proposed Encino BID programs and services and how each parcel specially benefits):

**Year 1 – 2016 District Special Benefit Cost Allocations (Assessment Revenue Only)**

<b>Program/Service</b>	<b>YR 1 - 2016</b>	<b>% of Total</b>
Marketing	\$2,000	2%
Streetscape Services/Improvements	\$80,544	66%
Program Management	\$18,000	15%
Operating Expenses	\$21,000	17%
<b>TOTAL</b>	<b>\$121,544</b>	<b>100%</b>

The array of uses within the proposed renewed Encino BID include: general commercial, retail, office, and commercial parking. Each of these uses and assessed parcels specially benefit from BID funded programs, services and improvements by potentially attracting more commercial clients, employees, tenants and investors as a result of these programs, services and improvements. This, in turn, may also increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. These programs, services and improvements are designed to improve commerce and aesthetic appeal for each assessed parcel within the Encino BID and their patrons, visitors and employees by reducing litter and debris and professionally marketing goods and services available within the BID, all considered necessary in a competitive properly managed business district.

These benefits are particular and distinct to each and every assessed parcel within the Encino BID and are not provided to non-assessed parcels outside of the District. 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.. The City of Los Angeles does not provide these programs and services.

In the case of the Encino BID, the very nature of the purpose of this District is to fund supplemental programs, services and improvements to assessed parcels within the BID boundaries above and beyond what is being currently funded either via

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normal tax supported methods or other funding sources. All benefits derived from the assessments to be levied on assessed parcels within the BID are for services, programs and improvements directly benefiting each individual assessed parcel within the BID. No BID funded services, activities or programs will be provided outside of the BID boundaries.

While every attempt is made to provide BID services and programs to confer benefits only to those identified assessed parcels within the BID, 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 District, or “spillover” onto parcels surrounding the District, or to the public at large who might be passing through the District with no intention of transacting business within the District or interest in the District itself.

Empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district tend to range from 1-5% 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:

- (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 Encino BID. 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 District, general benefit to the public at large within the District and general benefit to parcels outside the District.

### General Benefit – Assessed Parcels within District

BID funded programs are narrowly designed and carefully implemented to specially benefit the assessed District parcels and are only provided for the special benefit to each and every assessed parcel within the District. It is the opinion of this Engineer, based on over 30 years of professional assessment engineering experience, that 100% of benefits conferred on assessed parcels within the District are distinct and special and that there are 0% general benefits conferred on these parcels. This is because the BID funded programs and services are specially geared to the unique needs of each assessed parcel within the BID and are directed specially only to these assessed parcels within the BID. This concept is further reinforced by the proportionality of special benefits conferred on each assessed parcel within the District 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 Encino BID funded programs are narrowly designed and carefully implemented to specially benefit the assessed District properties and are only provided for the special benefit to each and every assessed parcel within the District, these

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BID funded programs may also provide an incidental general benefit to the public at large within the District. Assessment Engineering experience in California has found that generally over 95% of people moving about within BID boundaries are engaged in business related to assessed parcels and businesses contained on them within the District, while the public at large “just passing through” is typically much less than 5%. Based on this experience curve and the focused nature of the proposed Encino BID funded programs and over 30 years of assessment engineering experience, it is the opinion of this Engineer that a general benefit factor of 0.01 (1%) of BID 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. It is the opinion of this Engineer that the programs that may provide immediate general benefits to the public at large are Streetscape Services/Improvements. The dollar value of this general benefit type equates to \$532 as delineated in the following chart:

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Program Element</b>	<b>Dollar Allocation</b>	<b>% Allocation of Special Benefit Cost</b>	<b>General Benefit Factor</b>	<b>General Benefit Percent (B x C)</b>	<b>General Benefit Value (D x A)</b>
Streetscape Services/Improvements	\$80,544	66.00%	0.01	0.66%	\$532

General Benefits – Outside Parcels

While District programs and services will not be provided directly to parcels outside the District boundaries, it is reasonable to conclude that District services may confer an indirect general benefit on parcels immediately adjacent to the District boundaries. An inventory of the District boundaries finds that the District is surrounded by 4 commercial zoned parcels with commercial uses located across major streets on the perimeter of the District. In addition there are 10 parcels tangent to assessed parcels within the District zoned residential but with surface parking uses for commercial parcels and businesses within the District. There is also 1 parcel tangent to assessed parcels within the District zoned residential with an office building use.

These 4 non-tangent parcels plus the 11 tangent parcels outside the District boundaries can reasonably be assumed to receive some indirect general benefit as a result of BID 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 73 identified and assessed parcels within the District; a benefit factor of 0.10 be attributed to general benefits conferred on the 11 parcels tangent to assessed parcels within the District with either parking or commercial uses on them, and, a benefit factor of 0.05 be attributed to general benefits conferred on the 4 commercial parcels and uses located across the street from assessed parcels within the Encino BID. The cumulative dollar value of this general benefit type equates to \$2,165 (\$1,831 +\$333) as delineated in the following chart:

<b>Parcel Type</b>	<b>Quantity</b>	<b>Benefit Factor</b>	<b>Benefit Units</b>	<b>Benefit Percent</b>	<b>Benefit Value</b>
Identified & assessed parcels in District	73	1.00	73.00	98.2503%	\$121,544
R-Zone commercial use parcels tangent to District	11	0.10	1.10	1.4800%	\$1,831
Commercial use/zone parcels non-tangent to District	4	0.05	0.20	0.2692%	\$ 333

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TOTAL			74.30	100.00%	\$123,709
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**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 District, the public at large and parcels outside the District equates to \$2,697 (\$532 + \$2,165) or 2.17%. For the purposes of this analysis, the general benefit factor of 2.17% will be conservatively rounded up to 2.2% which equates to a general benefit value of \$2,734. This leaves a value of 97.8% assigned to special benefit related costs. The general benefit value of \$2,734 when added to the special benefit value of \$121,544 (Year 1 –2016 assessments) equates to a total Year 1 – 2016 program cost of \$124,278. Remaining costs that are attributed to general benefits, will need to be derived from other sources such as grants, donations, sponsors and program income.

**BID Programs and Improvements**

The Proposed Encino BID provides the following Year 1 – 2016 special benefit services for each individual assessed parcel in the BID:

**Year 1 – 2016 District Special Benefit Cost Allocations (Assessment Revenue Only)**

Program/Service	YR 1 - 2016	% of Total
Marketing	\$2,000	2%
Streetscape Services/Improvements	\$80,544	66%
Program Management	\$18,000	15%
Operating Expenses	\$21,000	17%
<b>TOTAL</b>	<b>\$121,544</b>	<b>100%</b>

The projected program special benefit cost allocation for the 5 year BID term assuming a 5% maximum annual increase is as follows:

**5 Year Projected District Special Benefit Costs - Assessment Revenue Only (assumes 5% annual increase)**

Program/Service	YR 1 - 2016	YR 2 - 2017	YR 3 - 2018	YR 4 - 2019	YR 5 - 2020
Marketing	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
Streetscape Services/Improvements	\$80,544	\$84,571	\$88,800	\$93,240	\$97,902
Program Management	\$18,000	\$18,900	\$19,845	\$20,837	\$21,879
Operating Expenses	\$21,000	\$22,050	\$23,153	\$24,310	\$25,526
TOTAL	\$121,544	\$127,621	\$134,003	\$140,702	\$147,738

As discussed earlier in this Report, the general benefits (i.e. benefits to the general public and surrounding parcels outside the District but not to the assessed parcels themselves) of the proposed improvements, activities and services represent 2.2% of the total benefits generated and, in turn, 2.2% of the costs of the BID funded improvements, activities and services provided. Thus, 2.2% of the total District costs will need to be funded by non-assessment revenue sources such as grants, donations, program income, etc. A delineation of both special and general benefit costs for each program element for each

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year of the 5 year BID term is shown in the table below:

**Total Year 1 –5 (2016-2020) Special + General Benefit Allocations/Costs**

<b>Service</b>	<b>YR 1 - 2016 Assessment Costs</b>	<b>YR 1 - 2016 Non-Assessment Costs</b>	<b>YR 1 - 2016 Total Costs</b>	<b>% of Total</b>
Marketing	\$2,000	\$45	\$2,045	2%
Streetscape Services/Improvements	\$80,544	\$1,812	\$82,356	66%
Program Management	\$18,000	\$405	\$18,405	15%
Operating Expenses	\$21,000	\$472	\$21,472	17%
<b>Total</b>	<b>\$121,544</b>	<b>\$2,734</b>	<b>\$124,278</b>	<b>100%</b>
<b>Service</b>	<b>YR 2 - 2017 Assessment Costs</b>	<b>YR 2 - 2017 Non-Assessment Costs</b>	<b>YR 2 - 2017 Total Costs</b>	<b>% of Total</b>
Marketing	\$2,100	\$47	\$2,147	2%
Streetscape Services/Improvements	\$84,571	\$1,902	\$86,474	66%
Program Management	\$18,900	\$425	\$19,325	15%
Operating Expenses	\$22,050	\$496	\$22,546	17%
<b>Total</b>	<b>\$127,621</b>	<b>\$2,870</b>	<b>\$130,492</b>	<b>100%</b>
<b>Service</b>	<b>YR 3 - 2018 Assessment Costs</b>	<b>YR 3 - 2018 Non-Assessment Costs</b>	<b>YR 3 - 2018 Total Costs</b>	<b>% of Total</b>
Marketing	\$2,205	\$50	\$2,255	2%
Streetscape Services/Improvements	\$88,800	\$1,998	\$90,797	66%
Program Management	\$19,845	\$446	\$20,291	15%
Operating Expenses	\$23,153	\$521	\$23,673	17%
<b>Total</b>	<b>\$134,003</b>	<b>\$3,015</b>	<b>\$137,016</b>	<b>100%</b>
<b>Service</b>	<b>YR 4 - 2019 Assessment Costs</b>	<b>YR 4 - 2019 Non-Assessment Costs</b>	<b>YR 4 - 2019 Total Costs</b>	<b>% of Total</b>
Marketing	\$2,315	\$52	\$2,367	2%
Streetscape Services/Improvements	\$93,240	\$2,097	\$95,337	66%
Program Management	\$20,837	\$469	\$21,306	15%
Operating Expenses	\$24,310	\$547	\$24,857	17%
<b>Total</b>	<b>\$140,702</b>	<b>\$3,165</b>	<b>\$143,867</b>	<b>100%</b>
<b>Service</b>	<b>YR 5 - 2020 Assessment Costs</b>	<b>YR 5 - 2020 Non-Assessment Costs</b>	<b>YR 5 - 2020 Total Costs</b>	<b>% of Total</b>
Marketing	\$2,431	\$55	\$2,486	2%
Streetscape Services/Improvements	\$97,902	\$2,202	\$100,104	66%
Program Management	\$21,879	\$492	\$22,371	15%

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Operating Expenses	\$25,526	\$574	\$26,100	17%
<b>Total</b>	<b>\$147,738</b>	<b>\$3,323</b>	<b>\$151,061</b>	<b>100%</b>

**WORK PLAN**

**Overview**

The property uses within the boundaries of the BID which will receive special benefits from BID funded programs and services are currently a mix of general commercial, retail, service, office and commercial parking. BID funded activities are primarily designed to provide proportionate special benefits as described below to identified assessed parcels and the commercial land uses within the boundaries of the District. The range of proposed BID funded special benefit programs, services and improvements includes: marketing, streetscape services/improvements, program management and operating expenses.

BID funded streetscape services/improvements enhance each assessed parcel by improving the aesthetic appearance of each assessed parcel entrance and perimeter for enhanced attraction for its business tenants, employees, customers, clients and visitors. The marketing programs provide important and beneficial information, alerts and news to property and business owners of each assessed parcel within the Encino BID via quarterly newsletters and an active and informative District website. BID funded programs, services and improvements may improve commerce and aesthetic appeal to attract new patrons, visitors and employees of assessed parcels within the Encino BID by reducing litter and debris and professionally marketing goods and services available within the BID, all considered necessary in a competitive properly managed business district.

The proposed Encino BID will provide the following programs and services for each individual parcel assessed in the BID:

**1) Marketing**                      \$2,045 (Special and General Benefit Costs)

“Marketing” includes activities such as: production of a quarterly newsletter that shall be distributed to all property owners in the District, cultivation of media exposure, and promotion of the District as a great place to shop, work or visit through the District website and social media. The District website and newsletter will target the ongoing informational needs of Encino BID property owners and tenants.

This component is designed to specially benefit and improve the marketability of the array of goods and services provided by businesses on each identified and assessed parcel within the BID. This special benefit program is designed to attract more commercial customers and clients, employees, tenants and investors which may, in turn, increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments for each parcel and business within the BID. Marketing programs will only be provided for parcels and businesses located within the BID boundaries.

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### **2) Streetscape Services/Improvements**      \$82,356 (Special and General Benefit Costs)

“Streetscape Services/Improvements” This component is the primary focus of the proposed renewed BID. In the past 10 years over 200 trees have been planted, 3 median islands and 39 decorative pots installed and landscaped, as well as gateway entry signs, street furniture, inlaid brickwork and litter receptacles. Landscape care will be done on a weekly basis. All planters will be kept clear of trash and debris and weeded weekly. Landscaping will be pruned, shaped or trimmed to maintain their size in respect to safety, pedestrian clearance, species, size of planter or relative surroundings. Sprinkler systems will be continually checked and serviced, while planters without automatic irrigation will be hand watered. Curbs, parking and paved areas will be kept clean and trash receptacles will be emptied, wiped down and kept graffiti free on a regular basis. Additionally, all bus stops within the district will be pressure washed monthly while sidewalks within the district will be pressure washed quarterly. Additional theme signage may be installed within the BID, as funds allow.

The Streetscape Services/Improvements element will assist in enhancing the image of each individual assessed parcel in the BID. This activity is designed to increase vehicular and pedestrian traffic within the BID that will potentially increase commerce and customer activity, attract and retain new business and patrons for assessed parcels within the BID boundaries. This activity is intended to increase commercial rents and commercial occupancies. Streetscape services will only be provided to and for the direct special benefit of each individual assessed parcel within the BID boundaries and none outside the BID area.

### **3) Program Management**      \$18,405 (Special and General Benefit Costs)

“Program Management” includes the cost of personnel to oversee implementation of the Management District Plan and the various programs, services and improvement projects delineated in the Plan during the District’s 5 year term. This element also includes oversight of the Owners’ Association’s compliance with the terms of its contract with the City.

This component is key to the proper expenditure of BID assessment funds and the administration of BID programs and activities that are intended to promote business within the BID boundaries through increased commerce and the attraction and retention of new business. The BID Program Management program exists only for the purposes of the BID and will only be provided for matters pertaining to each individual assessed parcel within the BID boundaries that will, in turn, specially benefit from this activity.

### **4) Operating Expenses**      \$21,472 (Special and General Benefit Costs)

“Operating Expenses” includes the costs associated with a BID management operation such as professional services (e.g. legal, accounting, insurance), printing, postage, supplies, production of the Annual Planning Report and Budget and quarterly reports and participation in professional peer/best practice forums such as the LA BID Consortium, the California Downtown Association or the International Downtown Association. It also covers the costs associated with District renewal, as well as City and/or County fees associated with their oversight of the District

This component is key to the proper expenditure of BID assessment funds and the administration of BID programs and activities that are intended to promote business within the BID boundaries through increased commerce and the attraction

## ENCINO COMMONS BID – ENGINEER’S REPORT

and retention of new business. Operating expenses pertain only to the operation of the BID and will only be provided for matters pertaining to each individual assessed parcel within the BID boundaries that will, in turn, specially benefit from this activity.

In summary, all of the above programs, services and improvements work together to provide a cleaner and more marketable place for each assessed parcel in the district. The property uses within the boundaries of the BID that will receive special benefits from BID funded programs and services are currently a mix of general commercial, retail, service, office and commercial parking. Programs, services and improvements provided by the BID are primarily designed to provide special benefits as described above to identified assessed parcels and the commercial land uses within the boundaries of the District. The proposed BID assessments will only be levied on identified parcels within the BID boundaries and assessment revenues will be spent to deliver services that only provide a direct and special benefit to assessed parcels and to improve the economic vitality of these parcels. Each assessed parcel and commercial land use within the Encino BID will proportionately and specially benefit from the BID funded supplemental marketing; streetscape services/improvements, program management; and, operating expenses.

The array of uses within the proposed renewed Encino BID include: general commercial, retail, office, and commercial parking. Each of these uses and assessed parcels specially benefit from BID funded programs, services and improvements by potentially attracting more commercial clients, employees, tenants and investors as a result of these programs, services and improvements. This, in turn, may also increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. These programs, services and improvements are designed to improve commerce and aesthetic appeal for each assessed parcel within the Encino BID and their patrons, visitors and employees by reducing litter and debris and professionally marketing goods and services available within the BID, all considered necessary in a competitive properly managed business district.

The Proposed Encino BID may increase the assessment for each individual parcel each year during the five year effective operating period, but in no event shall the assessment increase exceed 5% and must be approved by the Board of Directors, included in the Annual Planning Report and adopted by the City of Los Angeles City Council. The accrued interest and delinquent payments will be expended within the budgeted categories. The Board of the Directors of the Owners Association of the proposed Encino BID shall determine the percentage increase to the annual assessment and the methodology employed to determine the amount of the increase. The BID Director shall communicate the annual increase to the City of Los Angeles each year in which the BID operates at a time determined in the Administration Contract held between the Owners Association and the City of Los Angeles. Accrued interest and delinquent payments will be expended within the budget categories in the percentage amount indicated.

Assessments for the Fiscal Year beginning January 1, 2016 and assessments for subsequent fiscal years, through and including the Fiscal Year ending December 31, 2020 will be collected at the same time and in the same manner as ad valorem taxes paid to the County of Los Angeles. The City of Los Angeles is authorized to collect any assessments not

## ENCINO COMMONS BID – ENGINEER’S REPORT

placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement the Management District Plan.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year. Accordingly, the Owners’ Association shall have the right to 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 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. Accrued interest or delinquent payments may be expended in any budget category.

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. BID assessment funds may be used to pay for costs related to the following BID renewal term. If the District 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 Encino BID (i.e. clean and safe; administration and management; and, marketing and district identity) 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 building area, land area and prime street frontage within one benefit zone. “Prime street frontage” means Ventura Boulevard street frontage.

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 building areas and/or street frontages are expected to impact the demand for services and programs to a greater extent than smaller land and building areas and/or 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.

## ENCINO COMMONS BID – ENGINEER’S REPORT

**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 Encino BID, they are also considerably less than other options considered by the proposed Encino BID Renewal Committee. The actual assessment rate for each parcel within the BID directly relate to the level of service and, in turn, special benefit to be provided based on the respective building area, land area and prime street frontage of each parcel. “Prime street frontage” means Ventura Boulevard street frontage.

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

There is one government owned parcel in the renewed BID boundaries, parcel number 2258-017-900. This parcel is a public park owned by the City of Los Angeles. The park fronts the north side of Ventura Boulevard between Paso Robles Avenue and Genesta Avenue. The City’s Department of Recreation and Parks provides complete streetscape and landscape services to the grassy parkways adjacent to the park and the park’s interior. The BID will not provide any services to this block, will not direct any special projects that include the park, nor will the BID feature the park in the quarterly newsletters or website. Inasmuch as the BID programs and services are designed to improve commerce and the park has no commercial activities, the park will not specially benefit from BID funded programs and services. For these reasons, this City park parcel will not be assessed.

**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 Encino BID.

**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 1 to the Management District Plan and this Report. The proposed renewed District and resultant assessment payments 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 building area, land area and prime street frontage. “Prime street frontage” means Ventura Boulevard street frontage.

## ENCINO COMMONS BID – ENGINEER’S REPORT

There is a single benefit zone.

### Assessment Formula Methodology

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

The method used to determine special benefits derived by each identified property within a BID begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the Encino BID, 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 BID 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, 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 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 government owned property from being assessed unless the respective public agency 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. Please see page 15 of this Report for discussion regarding government owned parcel(s) within the Encino BID.

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 BID.

## ENCINO COMMONS BID – ENGINEER’S REPORT

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

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed Encino BID (i.e. marketing; streetscape services/improvements, program management; and, operating expenses) 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 building area, land area and prime street frontage within one benefit zone. “Prime street frontage” means Ventura Boulevard street frontage.

The “Basic Benefit Units” will be expressed as a combined function of gross building square footage (Benefit Unit “A”), land square footage (Benefit Unit “B”), and prime street frontage (Benefit Unit “C”). “Prime street frontage” means Ventura Boulevard street frontage. Based on the shape of the proposed Encino BID, 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 building area, land area and prime street frontage within one benefit zone.

For commercial land uses, the interactive application of building and land areas and street frontage quantities are a proven method of fairly and equitably spreading special benefit costs to these beneficiaries of BID funded services, programs and improvements. Each of these factors directly relates to the degree of special benefit each assessed parcel will receive from BID funded activities. There are no parcels zoned solely residential within the Encino BID.

Building area is a direct measure of the static utilization of each parcel and its corresponding impact or draw on BID funded activities such as marketing and streetscape services/improvements. In the opinion of this Assessment Engineer, the targeted weight of this factor, building area, should generate approximately 50% of the total BID revenue.

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on BID funded activities such as program management and operating expenses. In the opinion of this Assessment Engineer, the targeted weight of this factor, land area, should generate approximately 25% of the total BID revenue.

Prime Street Frontage is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on BID funded activities such as marketing and streetscape services/improvements. In the opinion of this Assessment Engineer, the targeted weight of this factor, street frontage, should generate approximately 25% of the total BID revenue. “Prime street frontage” means Ventura Boulevard street frontage.

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

While there are no current commercial or mixed-use condominiums within the Encino BID, such units, if and when built, shall be assessed based on actual land area covered, condo building pad area and direct street frontage for each unit. 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:

Multi-Floor Commercial Only Condominiums

- Building pad area assessed at respective building area rate
- 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 condo building pad area assessed at respective commercial building area rate
- Residential condo units shall be assessed at the rate of 30 cents per square foot of building pad area
- Land assessed at land area rate (assessed on 1st floor commercial condos for land area covered)
- Frontage assessed at frontage rate (assessed on 1st floor commercial condos for actual street frontage)

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 change for any given parcel if such a change 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 assessment rates higher than as stipulated in this Report would require a new ballot procedure (Section 4(b) of Article XIID of the California Constitution - Proposition 218) in order to approve any such changes.

**Step 2. Quantify Total Basic Benefit Units**

Taking into account all identified benefiting properties and their respective assessable benefit units, there are 1,185,231 assessable Benefit Units A (building area), 2,326,550 assessable Benefit Units B (land area) and 9,492 assessable Benefit Units C (prime street frontage). “Prime street frontage” means Ventura Boulevard street frontage. The assessable benefit unit quantities and projected Year 1 – 2016 revenue by assessment factor for the proposed Encino BID are shown in the following table:

**Assessable Benefit Units; Yr 1 –2016 Assessment Rates and Projected Revenue**

<b>FORMULA FACTOR</b>	<b>QUANTITY</b>	<b>REVENUE</b>
Building Area Sq Ft (Unit A)	1,185,231	\$58,471
Land Area Sq Ft (Unit B)	2,326,550	\$31,408
Prime Street Frontage (Unit C)	9,492	\$31,665
<b>TOTAL</b>		<b>\$121,544</b>

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**Step 3. Calculate Benefit Units for Each Property.**

The number of Benefit Units for each identified benefiting parcel within the proposed Encino BID 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 BID 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 Encino BID is as follows:

$$\begin{aligned} \text{Assessment} &= \text{Building Area (Unit A) Sq Ft x Unit A Rate, plus} \\ &\quad \text{Land Area (Unit B) Sq Ft x Unit B Rate, plus} \\ &\quad \text{Prime Street Frontage (Unit C) Lin Ft x Unit C Rate} \end{aligned}$$

The assessment revenue is targeted for each Unit factor (i.e. building, land and prime street frontage) to generate approximately 50% for building area (48.1064% when adjusted which produces \$58,470.62), 25% for land area (25.84112% when adjusted which produces \$31,408.43) and 25% for street frontage (26.05247% when adjusted which produces \$31,665.31). It is noted that the assessment rates and weights being applied to parcels in the proposed Encino BID were set during the initial property data collection period. Several bits of property related data have subsequently been re-checked, refined and adjusted based on new developments and better data, thus slightly altering the initial broad targeted revenues for each assessment formula element.

**Computing Assessment Formula Unit Rates**

**Building Area Rate (Unit A)**

$$(\$121,544.36 \times 48.1064\%) / 1,185,231 \text{ assessable building units} = \$0.049/\text{sq ft building area}$$

**Land Area Rate (Unit B)**

$$(\$121,544.36 \times 25.84112\%) / 2,326,550 \text{ assessable land units} = \$0.0135/\text{sq ft land area}$$

**Prime Street Frontage Rate (Unit C)**

$$(\$121,544.36 \times 26.05247\%) / 9,492 \text{ assessable prime frontage units} = \$3.336/\text{linear ft prime street frontage}$$

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**YEAR 1 –2016 ASSESSMENT RATE CHART**

ASSESSMENT FACTOR	YR 1 - 2016 ASSMT RATES
BLDG AREA RATE (\$/SQ FT)	\$0.049
LAND AREA RATE (\$/SQ FT)	\$0.0135
STREET FRONTAGE RATE (\$/LF)	\$3.336

**SAMPLE ASSESSMENT CALCULATION:**

Assume a 5,000 SF building on a 15,000 SF lot with 100 linear feet of prime street frontage. The annual assessment would be calculated as follows:

5,000 x \$0.049/square foot of building	=	\$ 245
15,000 x \$0.0135/square foot of land	=	\$ 203
100 x \$3.336/linear foot of street frontage	=	\$ 334
TOTAL ASSESSMENT	=	\$ 782

**Step 5. Estimate Total District Costs**

The total projected 5 year District costs for 2016 – 2020 of the BID are shown below in the table below assuming a maximum 5% increase per year.

**5 Year Projected District Special Benefit Costs (assumes 5% annual increase)**

Program/Service	YR 1 - 2016	YR 2 - 2017	YR 3 - 2018	YR 4 - 2019	YR 5 - 2020
Marketing	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
Streetscape Services/Improvements	\$80,544	\$84,571	\$88,800	\$93,240	\$97,902
Program Management	\$18,000	\$18,900	\$19,845	\$20,837	\$21,879
Operating Costs	\$21,000	\$22,050	\$23,153	\$24,310	\$25,526
TOTAL	\$121,544	\$127,621	\$134,003	\$140,702	\$147,738

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

Total costs are estimated at \$124,278. General benefits are factored at 2.2% of total (see Finding 2 on page 11 of this Report) with special benefits set at 97.8%. Article XIID Section 4(b) of the California Constitution limits the levy of property assessments to costs attributed to special benefits only. The 2.2% general benefit cost is computed to be \$2,734 with a resultant 97.8% special benefit limit computed at \$121,544. *This is the maximum amount of revenue that can be derived from property assessments from the subject BID.*

All program costs associated with general benefits will be derived from sources other than BID assessments. Sample “other”

**ENCINO COMMONS BID – ENGINEER’S REPORT**

revenue sources are shown in the following table:

**Special and General Benefit Revenue Sources**

<b>Revenue Source</b>	<b>Revenue</b>	<b>% of Total</b>
BID Assessments	\$121,544	97.8%
Grants, donations, sponsors, program income, etc	\$2,734	2.2%
<b>TOTAL</b>	<b>\$124,278</b>	<b>100.0%</b>

**Step 7. Calculate “Basic Unit Cost”**

With a YR 1 - 2016 assessment revenue portion of the budget set at \$121,544 (special benefit only), the Basic Unit Costs are shown above in Step 4. Since the BID is being renewed for a 5 year term, maximum assessments for future years (2017-2020) must be set at the inception of the proposed BID. An annual inflationary assessment rate increase of up to 5% may be imposed for future year assessments, on approval by the BID Property Owner’s Association. The maximum assessment rates for the 5 year proposed BID term of 2016-2020 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 BID term (2016-2020).

**YR 1-5 (2016 - 2020) Maximum Assessment Rates (assumes 5% annual increase from Yr 1 Rates)**

<b>ASSESSMENT FACTOR</b>	<b>YR 1 - 2016</b>	<b>YR 2 - 2017</b>	<b>YR 3 - 2018</b>	<b>YR 4 - 2019</b>	<b>YR 5 - 2020</b>
BLDG AREA RATE (\$/SQ FT)	\$0.04900	\$0.05145	\$0.05402	\$0.05672	\$0.05956
LAND AREA RATE (\$/SQ FT)	\$0.01350	\$0.01418	\$0.01488	\$0.01563	\$0.01641
PRIME STREET FRONTAGE RATE (\$/LF)	\$3.33600	\$3.50280	\$3.67794	\$3.86184	\$4.05493

**Step 8. Spread the Assessments**

The resultant assessment spread calculation results for each parcel within the BID 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 Fiscal Year beginning January 1, 2016 and assessments for subsequent fiscal years, through and including the Fiscal Year ending December 31, 2020 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.

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**Bonds:**

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

**Duration**

In accordance with State law, the District will have a five year operational term from January 1, 2016 to December 31, 2020. The renewed BID operation is expected to begin services on January 1, 2016. If the District is not renewed, services will end on December 31, 2020.

# APPENDIX 1

## ENCINO COMMONS BID YR 1 – 2015/2016 ASSESSMENT ROLL

**ENCINO COMMONS BID – ENGINEER’S REPORT**

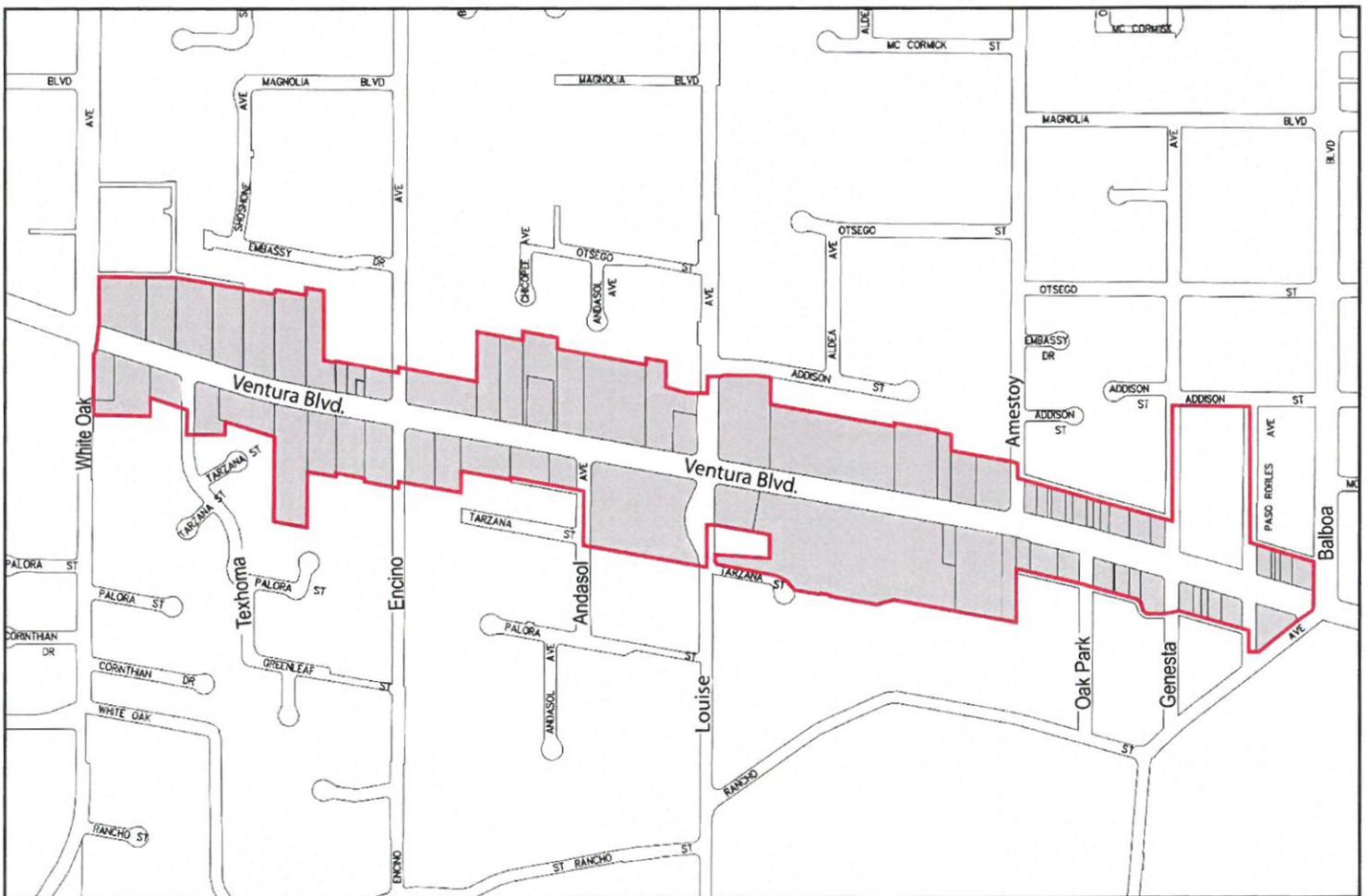
<b>APN</b>	<b>Site Address</b>	<b>Yr 1 2015/16 Assmt</b>	<b>% Total</b>
2257 008 001	17501 VENTURA BLVD	\$581.05	0.48%
2257 008 002	17511 VENTURA BLVD	\$541.71	0.45%
2257 008 005	17523 VENTURA BLVD	\$355.35	0.29%
2257 008 015	17517 VENTURA BLVD	\$457.17	0.38%
2257 008 026	17641 VENTURA BLVD	\$1,121.04	0.92%
2257 008 027	17661 VENTURA BLVD	\$1,692.90	1.39%
2257 008 040	17615 VENTURA BLVD	\$1,986.95	1.63%
2257 008 045	17609 VENTURA BLVD	\$3,316.65	2.73%
2257 008 046	17525 VENTURA BLVD	\$3,006.95	2.47%
2257 008 048	17547 VENTURA BLVD	\$2,739.08	2.25%
2257 008 049	17555 VENTURA BLVD	\$2,709.95	2.23%
2257 016 001	17301 VENTURA BLVD	\$1,007.35	0.83%
2257 016 053	17337 VENTURA BLVD	\$5,345.14	4.40%
2257 016 054	17451 VENTURA BLVD	\$2,517.90	2.07%
2257 016 056	17323 VENTURA BLVD	\$2,548.30	2.10%
2257 016 059	17401 VENTURA BLVD	\$10,235.08	8.42%
2258 012 008	17129 VENTURA BLVD	\$443.43	0.36%
2258 012 022	17201 VENTURA BLVD	\$6,235.19	5.13%
2258 012 025	17141 VENTURA BLVD	\$2,710.96	2.23%
2258 012 026	17257 VENTURA BLVD	\$3,360.16	2.76%
2258 012 028	17107 VENTURA BLVD	\$2,888.21	2.38%
2258 013 001	17001 VENTURA BLVD	\$885.01	0.73%
2258 013 002	17007 VENTURA BLVD	\$807.19	0.66%
2258 013 008	17043 VENTURA BLVD	\$220.15	0.18%
2258 013 011	17049 VENTURA BLVD	\$151.34	0.12%
2258 013 012	17057 VENTURA BLVD	\$635.23	0.52%
2258 013 014	17057 VENTURA BLVD	\$856.73	0.70%
2258 013 019	17035 VENTURA BLVD	\$507.63	0.42%
2258 013 020	17017 VENTURA BLVD	\$858.58	0.71%
2258 013 021	17027 VENTURA BLVD	\$595.74	0.49%
2258 013 022	17031 VENTURA BLVD	\$653.29	0.54%
2258 013 023	17047 VENTURA BLVD	\$613.28	0.50%
2258 018 001	16925 VENTURA BLVD	\$721.19	0.59%
2258 018 002	16919 VENTURA BLVD	\$155.77	0.13%
2258 018 003	16917 VENTURA BLVD	\$250.51	0.21%
2258 018 004	16911 VENTURA BLVD	\$445.06	0.37%
2258 018 018	16901 VENTURA BLVD	\$648.48	0.53%
2289 001 016	16900 VENTURA BLVD	\$1,118.43	0.92%
2289 002 001	16952 VENTURA BLVD	\$583.38	0.48%
2289 002 002	16946 VENTURA BLVD	\$314.26	0.26%
2289 002 003	16944 VENTURA BLVD	\$390.25	0.32%
2289 002 004	16940 VENTURA BLVD	\$520.89	0.43%

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2289 002 020	16928 VENTURA BLVD	\$743.54	0.61%
2289 003 004	17016 VENTURA BLVD	\$308.49	0.25%
2289 003 022	17000 VENTURA BLVD	\$2,403.67	1.98%
2289 003 023	NO SITE ADDRESS	\$248.88	0.20%
2289 003 026	NO SITE ADDRESS	\$20.09	0.02%
2289 003 027	17020 VENTURA BLVD	\$839.67	0.69%
2289 004 001	17060 VENTURA BLVD	\$501.94	0.41%
2289 004 023	17040 VENTURA BLVD	\$755.75	0.62%
2289 004 029	NO SITE ADDRESS	\$1,025.33	0.84%
2289 005 002	17114 VENTURA BLVD	\$2,403.19	1.98%
2289 005 010	17130 VENTURA BLVD	\$592.65	0.49%
2289 005 012	17114 VENTURA BLVD	\$1,075.79	0.89%
2289 005 020	17258 VENTURA BLVD	\$1,232.19	1.01%
2289 005 026	17136 VENTURA BLVD	\$141.18	0.12%
2289 005 058	NO SITE ADDRESS	\$755.95	0.62%
2289 005 059	17200 VENTURA BLVD	\$14,819.01	12.19%
2290 001 002	17300 VENTURA BLVD	\$6,259.48	5.15%
2290 004 001	17406 VENTURA BLVD	\$1,447.15	1.19%
2290 004 024	17448 VENTURA BLVD	\$1,169.66	0.96%
2290 004 025	17460 VENTURA BLVD	\$1,309.93	1.08%
2290 004 035	17438 VENTURA BLVD	\$1,400.29	1.15%
2290 004 038	17404 VENTURA BLVD	\$1,312.60	1.08%
2290 007 001	17500 VENTURA BLVD	\$1,119.24	0.92%
2290 007 002	17514 VENTURA BLVD	\$1,393.71	1.15%
2290 007 007	17538 VENTURA BLVD	\$2,279.34	1.88%
2290 007 008	17530 VENTURA BLVD	\$1,685.48	1.39%
2290 008 019	17612 VENTURA BLVD	\$925.77	0.76%
2290 008 020	17554 VENTURA BLVD	\$1,848.01	1.52%
2290 009 014	17630 VENTURA BLVD	\$1,063.85	0.88%
2290 010 002	17660 VENTURA BLVD	\$1,021.09	0.84%
2290 010 012	17648 VENTURA BLVD	\$1,708.60	1.41%

# APPENDIX 2

## ENCINO COMMONS BID BOUNDARY MAP



-  B.I.D. PROPERTIES (PROPERTY BASED)
-  B.I.D. BOUNDARY

**ENCINO COMMONS**  
PROPERTY BUSINESS IMPROVEMENT DISTRICT

