



**THE DOWNTOWN GLENDALE COMMUNITY BENEFIT  
DISTRICT 2012  
MANAGEMENT DISTRICT PLAN**

Glendale, California

*Formed Under Ordinance # 5771 of the Glendale Municipal Code*

Final Plan – May 16<sup>th</sup>, 2012

Prepared by:  
New City America, Inc.  
and the  
Downtown Glendale CBD Steering Committee



# **Downtown Glendale Community Benefit District (CBD) Management District Plan**

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### Attachment

A. Engineer's Report

## **Section 1**

### **Management District Plan Summary**

The name of this Community Benefit District (CBD) is the Downtown Glendale Community Benefit District (the “CBD”). The District is being formed pursuant to Glendale Municipal Ordinance No. 5771 of the City of Glendale Municipal Code.

The proposed CBD will provide new special benefit district improvements and activities, including cleaning, security, beautification and other special benefit programs to parcels within the boundaries of the current district. A group of property owners have met to discuss this district formation since the Fall of 2010.

The current Brand Boulevard Lighting and Landscaping maintenance assessment district has provided ongoing special benefit cleaning services to the district, particularly along Brand Boulevard. Once the new Downtown Glendale CBD has been adopted, the existing *Brand Blvd. Landscaping and Lighting Maintenance district will be suspended for the duration of time that the new Downtown CBD is in place*. The CBD will provide the services of the Landscaping and Lighting District, plus much more.

The new CBD will serve to improve the individual parcels, attract new customers to their businesses, increase sales, increase occupancies and enhance the benefitting individual parcels within the district. The proposed CBD seeks to fund the special benefits that will be provided over the next seven years, based upon keeping the existing CBD area clean, safe, orderly, attractive, well marketed with special events and programs, and increase commerce within the boundaries.

#### **Boundaries:**

The boundaries shall include 23 whole or partial blocks with 298 parcels. The District is generally bounded by Colorado Street on the south, Columbus Street/south of Broadway and Orange Street north of Broadway on the west side; on the Sanchez Drive Frontage Road between Central and N. Maryland on the north; and Maryland and Louise on the east. See Section 2, pages 8 - 12.

#### **Budget:**

The total first year Downtown Glendale CBD budget based upon assessable individual parcel owners for FY 12/13, will be \$908,092.00. Please see Section 3 for a breakdown of the categories of special benefit services and their allocation of services by Benefit Zone.

### **Improvements Activities and Services of the Downtown Glendale CBD Plan:**

There are four basic categories of special benefit services that will be funded with this Downtown Glendale CBD. All of these services will confer a special benefit to the individual parcels within the Downtown Glendale CBD. The categories of special benefits are as follows:

1. ***Sidewalk Operations, Beautification and Order:*** this includes all sidewalk and gutter cleaning services, sidewalk steam cleaning services, graffiti removal, trash removal, private security services, as well as enhanced services to the “the primary frontages” of the district. Sidewalk operations services total \$ 550,000.00 or 61% of the first year annual budget of the new CBD.
2. ***District Identity:*** These services include the branding of the Downtown Glendale area, marketing and promotions, newsletter, public relations, media relations, social media, publicity, special events, web site development and maintenance, and holiday decorations. These services equal \$ 205,000.00 or 22% of the first year annual budget of the new district.
3. ***Program Management and Corporate Operations.*** These services equal \$ 135,000.00 or 15% of the first year annual budget of the new district.
4. ***Contingency/Reserve.*** This fund equals \$ 18,092.00 or 2% of the first year annual budget of the new district. This contingency anticipates a “historic” non-payment rate percentage of around 2%, and any City or County collection fees.

Table 1 – A

| <b><i>Name of Program or Category of Service</i></b> | <b><i>Percent of First Year Annual Budget</i></b> | <b><i>Estimated First Year Costs of Special Benefit Services</i></b> |
|--|---|--|
| Sidewalk Operations, Beautification and Order        | 61%   | \$ 550,000.00  |
| District Identity                                    | 22%   | \$ 205,000.00  |
| Program Management, Corporate Operations             | 15%   | \$ 135,000.00  |
| Contingency  | 2%  | \$ 18,092.00   |
| <b><i>Total First Year Budget</i></b>                | <b><i>100%</i></b>                                | <b><i>\$ 908,092.00</i></b>  |

Demands for prioritization of one special benefit need over another *within the same category* above will occur year by year. Security may be a priority one year, however enhanced sidewalk sweeping and beautification may be a priority another year. Both of these services fall within the same special benefit category. This plan proposes percentages for groups of services with the intent that they will provide district individual parcels with an understanding of the portion of the budget allocated to fund those services, while simultaneously giving the Owners’ an

understanding of the proportional benefit they will receive. Actual costs by category may vary from year to year; per service category, so budget line items may vary by up to 10% during the life of this plan.

#### **Method of Financing:**

The financing of the CBD is based upon a the levy of special assessments upon real property that receive special benefits from the improvements and activities. See Section 4 for assessment methodology and compliance with Proposition 218. There will be four factors used in the determination of proportional benefit to the parcels in the CBD. Those four factors are:

- Linear frontage, (broken down by “primary frontages and secondary frontages”). The same parcel will be charged different frontage rates based upon the frequency of services that this side frontage will receive from the Sidewalk Operations section of the CBD budget;
- lot size or the footprint of the parcel;
- building square footage (excluding parking structures built within the building that predominantly serve the tenants of the building and are not open to the public); and
- residential condos that front along the public rights of way, (yet to be built in the proposed CBD area). Existing residential condos in the Americana on Brand are exempt to this district since they do not front on the public rights of way in the district and therefore will not receive any of the special benefits funded by the CBD.

The following data represents the foundation of the assessments that will generate the revenue to fund the Downtown Glendale CBD:

***Assessable Building Square Footage:*** 9,287,982 sq. feet

***Non-assessed building square footage:*** Vacant buildings, but these will be assessed once they are completed, and obtain a certificate of occupancy.

***Gross Lot Size:*** 4,589,656 sq. feet

***Gross Linear Frontage:*** Primary linear frontages = 14,227 linear feet.  
Secondary linear frontage = 20,397 linear feet.

***Residential Condos:*** Currently there are no residential condos fronting on any public right of way in the proposed Downtown Glendale CBD. Once there are, they will be assessed at the rate of \$0.25 per square foot for their verifiable building square footage per parcel. Commercial condos will be treated as commercial buildings being assessed for their proportion of linear frontage, lot size and building square footage. For a more detailed explanation of residential assessments and services please see Section 3, pages 18 and 19.

**Benefit Zones:**

State law and the State constitution, Article XIID require that special assessments be levied according to the special benefit each individual parcel receives from the improvements. There will be one benefit zone in the proposed CBD, however parcels that will be identified by the CBD map and various street frontages will be charged a higher linear frontage rate due to the proportional benefit they will receive from the establishment of the district.

Please see Section 2 and the map on page 11-12 for identification of these primary and secondary street frontages.

**Cost:**

Annual assessments are based upon an allocation of program costs by assessable linear frontage, assessable (on all sides of the parcels), PLUS lot or parcel square footage, PLUS assessable building square footage, and assessable residential condo building square footage, (if and when built in the district). Though no residential condos currently exist in the proposed district fronting on public rights of way, it is proposed that an alternate assessment methodology be created that will respond to their special needs as homeowners within this growing Downtown district. All four property variables, including an individual parcel's location within the designated areas for primary and secondary frontage services will be used in the calculation of the annual assessment.

The FY 2013 year annual assessments per property variable and location zone is as follows:

|                                |  |
|--------------------------------|--|
| Linear frontage costs:         | Primary/\$10.25<br>Secondary/\$6.33299               |
| Building Square footage costs: | \$0.0368194  |
| Lot Size costs:                | \$0.0634282  |
| Residential Condo costs:       | \$0.25 per square foot of parcel unit square footage |

**Assessment District Revenue Generation from each property variable:**

|                          |               |
|--------------------------|---------------|
| Linear Frontage:         | \$ 275,000.00 |
| Building Square Footage: | \$ 341,978.00 |
| Lot Size:                | \$ 291,114.00 |
| Residential Condos       | \$ <u>00</u>  |
| Total:                   | \$ 908,092.00 |

**Cap:**

The CBD budget and assessments may be subject to changes in the Consumer Price Index (CPI) for the Los Angeles Consumer Price Index for all urban areas from February to February, with annual increases not to exceed 5% per year. Increases will be determined by the Owners' Association/District Management Corporation and will vary between 0% and 5% annually. Changes in land use, development of empty parcels, conversion of tax exempt to profitable land uses, demolition of existing buildings, and creation of new parcels through new building or

residential condo development may alter the budget from year to year based upon the changes in the building square footage of an individual parcels. Since linear frontage and lot size normally are not altered in the redevelopment of a site, the only changes realized in the CBD will be through the building square footage. In addition, changes in the budget may occur due to the conversion of single parcels to multiple parcels due to the construction of residential or commercial condos.

### **Bonds**

The District will not issue any bonds related to any program.

### **District Formation:**

The District formation and modification requires a submission of petitions from property owners representing more than 30% of the total assessments. It should be noted that pursuant to Glendale Municipal Code Section 4.46.030, the amount of assessment attributable to property owned by the same property owner, which is in excess of twenty per cent (20%) of the amount of all assessments proposed to be levied shall not be used in determining whether the petition is signed by property owners who will pay more than 30% of the total assessments.

Once the City verifies the petitions totaling a minimum of \$273,000 in assessment contribution to the District, the City Council may adopt a Resolution of Intention to mail out ballots to all affected property owners. The City will then hold a public hearing and tabulate the mail ballots. The Downtown Glendale CBD will be formed if the weighted majority of all returned mail ballots support the District formation and if the City Council adopts a resolution to levy the assessments on the benefiting parcels.

### **Formation Cost Reimbursements:**

The City of Glendale, the CBD Consultant and the Assessment Engineer have all advanced services or funds to complete this district. Therefore in the first year all three parties will be reimbursed for their advanced funds and unpaid services attributed to the District formation process. An amount not exceeding \$80,000.00 (eighty thousand dollars) shall be reimbursed from the first fiscal year funds for this purpose. New City America, the CBD consultant shall be reimbursed for \$30,000.00 (thirty thousand dollars) in reimbursement for advanced services costs from the District Management Corporation upon receipt of the first CBD installments transferred to the corporation in December 2012. The City shall be reimbursed \$ 50,000.00 (fifty thousand dollars) in one or two installments with the transfer of CBD assessments to the District Management Corporation. Ten thousand of the \$50,000 reimbursed to the City shall be to cover in-house legal and other administrative services associated with the district formation and proceedings.

The repayment of these advanced funds are considered to be reimbursable since these funds and services contributed to the formation of this special benefit district and similar funds and services have not be provided to any other business district in the City. The property owners within the Downtown Glendale CBD boundaries will derive special benefits from the results of the work performed in the creation of this district and therefore this is a service that can be

reimbursed from the district assessments, much like “renewals” are funded from other similar assessment district revenues from throughout the State.

**Duration:**

The Downtown Glendale CBD shall have a seven-year term which shall commence on January 1, 2013 and expire on December 31, 2019.

**Governance:**

Pursuant to the City of Glendale Community Benefit District Ordinance, the District Management Corporation or Owners’ Association, will review District budgets and policies annually within the limitations of the Management District Plan. The Management Corporation will file Annual Reports with the City of Glendale (City) and oversee the day-to-day implementation of services as defined in the Management District Plan.



## Section 2

### Downtown Glendale Community Benefit District Boundaries

**Boundaries:** The following text will define the boundaries of the Downtown Glendale CBD.

General Description of the Proposed Boundaries: Parcels in the commercial corridors of the Downtown Glendale CBD will include as follows:

- Northern Boundary: Parcels fronting along Sanchez Drive south of the 134 Freeway from the eastern side of Central Avenue on the west and the western side of Maryland Avenue on the east.
- Southern Boundary: Parcels along the north side of Colorado Street from the eastern side of Columbus Avenue on the west and eastern side of the parcel at the northeastern corner of the intersection of Brand Blvd. and Colorado Street. (parcel # 5642-013-11).
- Western Boundary: Beginning at the northeastern parcel of the intersection of Colorado Street and Columbus Avenue (parcel #5695-005-935), running northward along the east side of Columbus Avenue to the parcel at the southeastern corner of the intersection of Broadway and Columbus Avenue (parcel #5695-005-937). Continuing from the parcel at the northeastern corner of the intersection of Broadway and Orange Street (parcel # 5642-002-90), running along the east side of Orange Street of to the parcel at the southeastern corner of the intersection of Doran Street and Orange Street (parcel # 5643-002-49).
- Eastern Boundary: Beginning at the parcel at the northeastern corner of Colorado and Brand Blvd. (parcel 5642-013-11), running northward along the alley to the east of the parcels between Colorado Street northward to Harvard Street. Continuing northward to include all of the parcels on both sides of Maryland Avenue, between Harvard Street to Wilson Avenue, including the parcels along the east side of Maryland Avenue eastward to the alley. Proceeding along Maryland Avenue from the parcel at the northwestern corner of the intersection of Wilson Avenue and Maryland Avenue (parcel #5642—016901), running northward on the west side of Maryland Avenue up to Sanchez Drive/Frontage Road, just south of the 134 Highway (parcel #5643-018-32).

#### **District Boundary Rationale – Primary and Secondary Frontages:**

The frontage listed below will receive a greater frequency of services based upon the more intensive pedestrian use. The pedestrian usage is determined by the high concentration of retailers which will require a greater frequency of cleaning and security services. It is estimated that “primary frontage” on the blocks listed below will require between 50 – 70% more services

than those sides of the parcels in the district not listed as primary frontages. The “primary frontages” are listed on the sides of the streets as follows:

**Primary frontages will receive greater services relative to the balance of parcel frontages within the proposed Downtown Glendale CBD.**

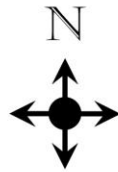
**Table 2-A**

| <b><i>Primary Frontage Street</i></b> | <b><i>Side of Street</i></b>               | <b><i>Between Streets</i></b>  |
|---------------------------------------|--|--|
| Colorado Street                       | North Side                                 | East side of parcel at the northwestern corner of the intersection of Central Avenue and Colorado Street to the alley east of the Brand Blvd.  |
| Brand Blvd.                           | East and West sides                        | South side of Lexington Drive to the north side of Colorado Street   |
| Broadway                              | North and South sides                      | On the south side from the eastern side of the parcel at the southeastern corner of Central Avenue and Broadway eastward to the alley to east of Maryland Avenue;<br>On the north side from the east side of Orange Street to the alley to Maryland Avenue |
| Wilson Avenue                         | North and South sides                      | East side of Orange Street to:<br>On the north to the west side of Maryland Avenue;<br>On the south to the alley just east of Maryland Avenue  |
| California Avenue                     | North and South sides                      | East side of Orange Street to the west side of Maryland Avenue   |
| Harvard Street                        | North and South sides, east of Brand Blvd. | On the south side from Brand Blvd. eastward to the alley;<br>On the north from Brand Blvd. to the alley east of Maryland Avenue  |
| Maryland Avenue                       | West and east sides                        | From Harvard Street running northward on both sides of the street up to southwestern and southeastern parcels at the intersection of Wilson Avenue   |

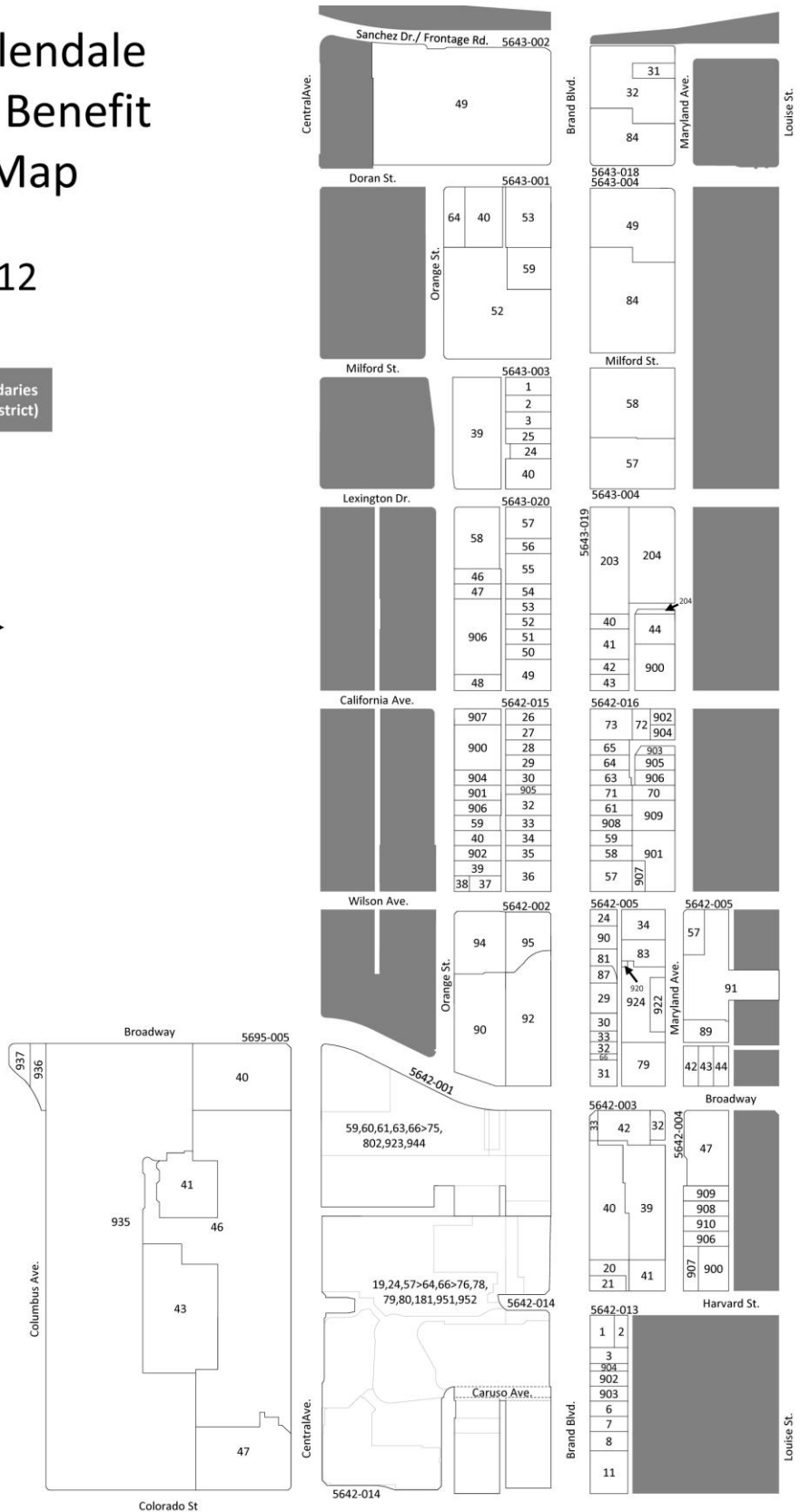
# Proposed Glendale Community Benefit District Map

May 2012

Surrounding Boundaries  
(Not Included in District)



Map created by New City America, Inc.



# Proposed Glendale CBD Linear Frontage Map

May 2012

Surrounding Boundaries  
(Not Included in District)

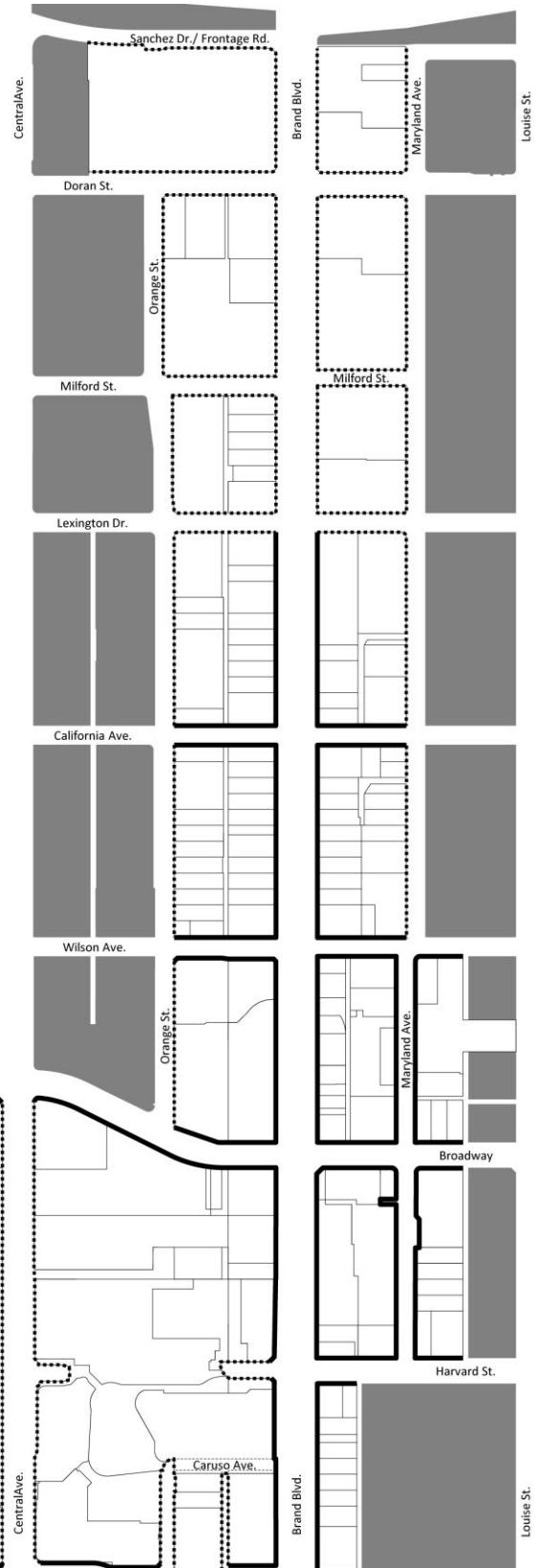
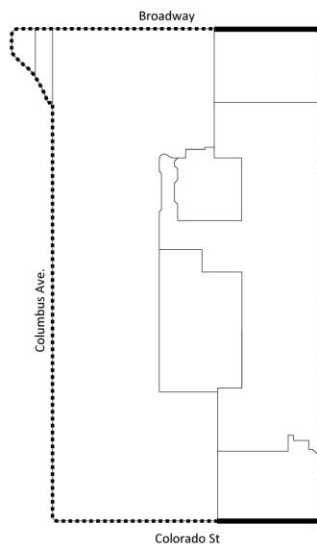
## ASSESSMENT RATES

Lot Square Footage: \$ .06342820

Building Square Footage: \$ .03681940

Linear Footage:

- Primary ————— \$ 10.25
- Secondary ..... \$ 6.332990



Map created by New City America, Inc.

## **Section 3**

### **District Improvement and Activity Plan**

#### **Process to Establish the Improvement and Activity Plan/Outreach Efforts:**

Since early 2010, property owners in Downtown Glendale have met to discuss the advantages of creating this Downtown special benefits district. Commencing in mid 2010, a survey was sent to property owners in the proposed CBD area to ascertain their level of support for the establishment of this assessment district. In addition to the survey, a Downtown Glendale Steering Committee was created and met on the following dates:

- November 4<sup>th</sup>, 2010
- November 16<sup>th</sup>, 2010
- February 15<sup>th</sup>, 2011 – Outreach meeting
- September 7<sup>th</sup>, 2011
- February 15<sup>th</sup>, 2012
- March 14<sup>th</sup>, 2012
- April 4<sup>th</sup>, 2012
- April 11<sup>th</sup>, 2012
- April 17<sup>th</sup>, 2012
- May 4<sup>th</sup>, 2012
- May 16<sup>th</sup>, 2012

In addition to these meetings, a series of public forums will be held in May and June 2012 to answer property and business owner questions about the proposed CBD, its services and costs.

#### **Explanation of Special Benefit Services:**

All of the improvements and activities detailed below are provided only to properties defined as being within the boundaries of the Downtown Glendale CBD, and which improvements and activities will provide special benefit to the owners of those properties. No improvements or activities will be provided to properties outside the Downtown CBD boundaries. All benefits derived from the assessments outlined in this Management District Plan fund services directly benefiting the property owners in this special benefit district. Inasmuch as all services will be provided to the properties defined as being within the District boundaries and no services will be provided outside the District boundaries.

As part of this management district plan, the City will articulate which general benefits are currently being provided to the Downtown Glendale property owners from the current general fund. The frequency of these general benefits may change from year to year and time to time based upon budget constraints. However, City general benefits will not be withdrawn from the Downtown CBD unless they are withdrawn by an equal amount City wide. The CBD funded special benefits will not replace City funded general benefits, but rather will provide special benefits to parcel owners over and above the general benefits provided by the City of Glendale. (See Appendix 5).

All benefits derived from the special benefit services funded by the assessments outlined in the Management District Plan are for services directly benefiting the property, business owners and residents within this area to support increased commerce, business attraction and retention, retained and increased commercial property rentals, enhanced safety and cleanliness in the CBD, improved district identity, and eventually specialized beautification and enhanced programs for the condo residential unit parcels (if built) within the District.

The total improvement and activity plan budget for 2012 - 2013, which is funded entirely by property assessments in the boundaries, is projected to be \$ 908,092.00. The costs of providing each of the budget components was developed from actual experience obtained in providing these same services in similar districts throughout the State of California.

The Downtown Glendale CBD Steering Committee has prioritized the following categories of special benefit services for the new District. The categories of special benefit services set forth the intent of the budget category, but also gives the District Management Corporation flexibility to allocate the services based upon the changing needs of the District from year-to-year within each budgeted category.

#### **Improvements Activities and Services of the Downtown Glendale CBD Plan:**

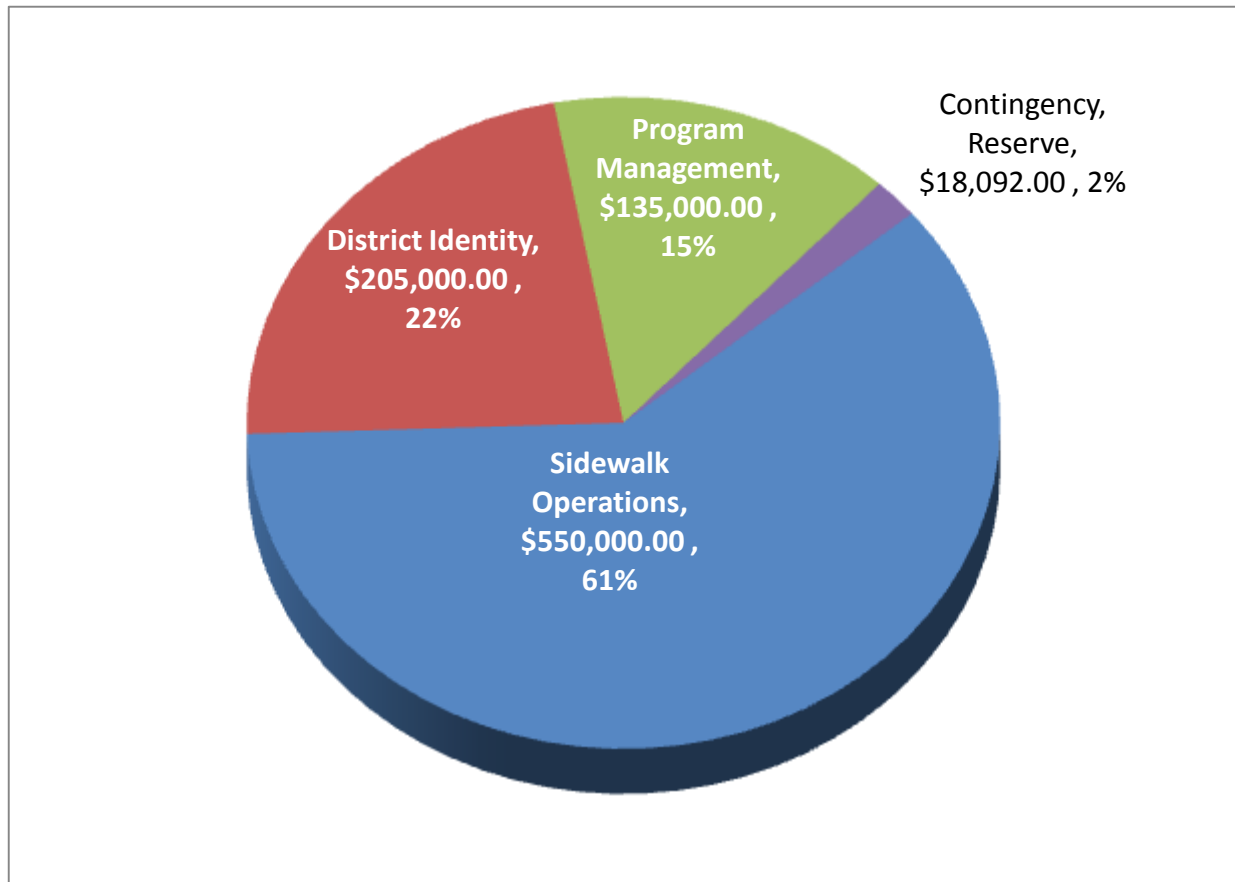
There are four basic categories of special benefit services that will be funded within the Downtown Glendale CBD. All of these services are designed to confer a special benefit to the individual parcels within the Downtown Glendale CBD over and above the General Benefits already received. The categories of special benefits are as follows:

1. ***Sidewalk Operations, Beautification and Order:*** this includes all ambassador and private security services, beautification programs, sidewalk and gutter cleaning services, sidewalk steam cleaning services, graffiti removal, trash removal, as well as enhanced services “the primary frontages” of the district. These services equal \$ 550,000.00 or 61% of the first year annual budget of the CBD.
2. ***District Identity:*** These services include the branding of the Downtown Glendale area, marketing and promotions, newsletter, public relations, media relations, social media, publicity, special events, web site development and maintenance, and holiday decorations. These services equal \$ 205,000.00 or 22% of the first year annual budget of the new district.

3. ***Program Management and Corporate Operations.*** These services equal \$ 135,000.00 or 15% of the first year annual budget of the new district and will fund the oversight of all of the special benefit programs of the CBD including all administrative and advocacy services of the District Management Corporation.
4. ***Contingency/Reserve.*** This fund equals \$ 18,092.00 or 2% of the first year annual budget of the new district. This contingency anticipates an “historic” non-payment rate percentage of around 2%, and any City or County collection fees.

**Table 3 – A**  
***First Year Downtown Glendale CBD Special Benefit Service Budget***

| <b><i>Name of Program or Category of Service</i></b> | <b><i>Percent of First Year Annual Budget</i></b> | <b><i>Estimated First Year Costs of Special Benefit Services</i></b> |
|--|---|--|
| Sidewalk Operations, Beautification and Order        | 61%   | \$ 550,000.00  |
| District Identity                                    | 22%   | \$ 205,000.00  |
| Program Management, Corporate Operations             | 15%   | \$ 135,000.00  |
| Contingency  | 2%  | \$ 18,092.00   |
| <b><i>Total First Year Budget</i></b>                | <b><i>100%</i></b>                                | <b><i>\$ 908,092.00</i></b>  |



The following categories of special benefit services shall only be provided to parcels within the District.

**SIDEWALK OPERATIONS, BEAUTIFICATION, AND ORDER :** **\$ 550,000** **61%**

Examples of these special benefit services are allocated per primary and secondary frontages with the primary frontages receiving almost twice the frequency of services relative to the the secondary frontages. Costs may include, but are not limited to:

- *Beautification throughout the district*
- *Enhanced trash emptying*
- *Private security services*
- *Visitor ambassador program*
- *Special event management, security and clean up*
- *Respond to complaints of aggressive panhandling and homeless encampments*
- *Timely graffiti removal, within 24 hours as necessary*
- *Tree and vegetation planting and maintenance*
- *Special events maintenance and security*



- *Daily sidewalk and gutter sweeping*
- *Quarterly sidewalk steam cleaning*

**DISTRICT IDENTITY/VISITOR ATTRACTION:**

**\$ 205,000**

**22%**

Examples of these special benefit services and costs include, but are not limited to:

- *Business attraction and expansion*
- *Web site development and updating*
- *Brochures*
- *Tourist related activities*
- *Marketing*
- *Advertising*
- *Special Events*
- *Logo development*
- *Signage*
- *Public relations*

**PROGRAM MANAGEMENT AND CORPORATE OPERATIONS:**

**\$ 135,000**

**15 %**

Examples of these special benefit services and costs include, but are not limited to:

- *Staff and administrative costs*
- *Directors and Officers Insurance*
- *Office related expenses*
- *Rent*
- *Financial reporting and accounting*
- *Legal work*

**CONTINGENCY/RESERVE:**

**\$ 18,092**

**2%**

Examples of these special benefit services and costs include, but are not limited to:

- *Delinquencies*
- *Reserves*
- *City and county administration costs*

**ENHANCED BEAUTIFICATION AND RESIDENTIAL SERVICES:**

Residential condos that front along public rights of way (as compared to those that front along private rights of way); once built, will be assessed separately due to their unique parcel status and special benefit needs in the district. Residential condos will have the following special benefit services conferred on the frontage their parcels. These services include, but are not limited to:

- *Installation, stocking and upkeep of pet waste distribution stations on the frontages adjacent to the high concentrations of residential condo individually assessed parcels;*
- *Enhancement and beautification of sidewalks on the frontages adjacent to the high concentrations of residential individually assessed parcels;*

- *Installation of hanging plants, planters and tree planting and upkeep in the sidewalks surrounding these frontages adjacent to these residential condos.*
- *Enhanced security in the evening hours, on the weekends and on holidays on the frontages adjacent to high concentrations of residential condos;*
- *Other services requested by the residents that confer special benefit to the areas directly adjacent to the parcels with high concentrations of residential condos;;*
- *Proportional share of the Administrative and Contingency costs to cover the oversight of the Enhanced beautification special benefit services.*

Residential condo individually assessed parcels are assessed as a separate category. These residential condo individually assessed parcels will be assessed *for their building square footage only at the rate of \$0.25 per square foot per year*, commencing the first year of the new District. The rationale for assessing residential condos only for the building square footage rate is provided below.

Residential condo individually assessed parcels are assessed differently than multi-unit, for-rent apartment buildings, due to the frequency of special benefit services required by each parcel as described below. The multi-unit apartment buildings are commercial properties in which the tenant and landlord have a business relationship as opposed to residential condo buildings where individual property owners own separate air space parcels on a single lot. Residential apartment buildings can be bought or sold just as like commercial buildings whereas residential condo individual units are separately owned and can be separately bought and sold.

Distinctions between residential apartment buildings with tenants and residential condominium building with individual unit owners are as follows:

1. The Davis Sterling Act establishes rules and regulations for residential condo owners based upon “separate interests” (i.e. ownership rights), as opposed to renters who only have a possessory interest.
2. Generally, residential condo unit owners demonstrate greater care for their property and concerns about quality of life issues due to their investment in real estate.
3. Residential owners and have the right to vote in a Proposition 218 hearing, tenants do not have that right.
4. Residential condo owners participate in a Homeowners Associations to oversee building maintenance.

The assessment methodology has been written to confer special benefits to residential condo individual assessed parcels since residential condo owners have unique investment backed expectations about the care and maintenance of the building and its surroundings compared to the interest of residential tenants who have a possessory not an ownership interest. The residential condos’ special assessment methodology ensures that a fund will be established to maintain high levels of special benefit services that apply directly and proportional to the blocks that demand virtually seven days per week, 365 days per year special benefits.

**Formation Cost Reimbursements:**

The City, the CBD Consultant and the Assessment Engineer have all advanced services or funds to complete this district. Therefore in the first year all these parties will be reimbursed for the funds advanced for services attributable to the District formation process. An amount not exceeding \$80,000.00 (eighty thousand dollars) shall be reimbursed from the first fiscal year funds for this purpose. New City America, the CBD consultant, shall be reimbursed \$30,000.00 (thirty thousand dollars) for advanced services costs from the District Management Corporation upon receipt of the first CBD installments transferred to the corporation in December 2012. The City shall be reimbursed \$ 50,000.00 (fifty thousand dollars) in one or two installments with the transfer of CBD assessments to the District Management Corporation. Ten thousand of the \$50,000 reimbursed to the City shall be to cover in-house legal services associated with the district formation and proceedings.

The repayment of these advanced funds are considered to be reimbursable since these funds and services contributed to the formation of this special benefit district and similar funds and services have not be provided to any other business district in the City. The property owners within the Downtown Glendale CBD boundaries will derive special benefits from the results of the work performed in the creation of this district and therefore this is a service that can be reimbursed from the district assessments, much like “renewals” are funded from other similar assessment district revenues from throughout the State.

**Seven-Year Operating Budget:**

A projected seven-year operating budget for the Downtown Glendale CBD is provided below. The projections are based upon the following assumptions:

- Assessments will be subject to changes in the Los Angeles County Consumer Price Index (CPI), with annual increases not to exceed 5% per year. Increases will be determined by the District Management Corporation and in no case shall annual increases exceed 5% per year.

Assessments for specific programs may be reallocated from year-to-year among CBD activities within a 10% range within each budget line item and may not exceed 10% of the total budget for all programs and activities. Changes based upon CBD service needs and changed services must be approved by the Glendale City Council by way of the Annual Report.

**Seven-Year Projection of Maximum Assessment for the  
Downtown Glendale CBD\***

**Table 3 – B**

|   | <b>FY 1</b>         | <b>FY 2</b>         | <b>FY 3</b>           | <b>FY 4</b>           | <b>FY 5</b>           | <b>FY 6</b>           | <b>FY 7</b>           |
|---|---------------------|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Sidewalk<br>Operations,<br>Beautification | \$550,000.00        | \$577,500.00        | \$606,375.00          | \$636,693.75          | \$668,528.44          | \$701,954.86          | \$737,052.60          |
| District<br>Identity                      | \$205,000.00        | \$215,250.00        | \$226,012.50          | \$237,313.13          | \$249,178.78          | \$261,637.72          | \$274,719.61          |
| Program<br>Management                     | \$135,000.00        | \$141,750.00        | \$148,837.50          | \$156,279.38          | \$164,093.34          | \$172,298.01          | \$180,912.91          |
| Contingency                               | \$18,092.00         | \$18,996.60         | \$19,946.43           | \$20,943.75           | \$21,990.94           | \$23,090.49           | \$24,245.01           |
| <b>Total</b>                              | <b>\$908,092.00</b> | <b>\$953,496.60</b> | <b>\$1,001,171.43</b> | <b>\$1,051,230.00</b> | <b>\$1,103,791.50</b> | <b>\$1,158,981.08</b> | <b>\$1,216,930.13</b> |

\*Assumes a 5% yearly increase on all budget items.

Note: Any accrued interest or delinquent payments will be expended in the above categories.

## **Section 4**

### **Assessment Methodology**

The Downtown Glendale CBD is a property-based benefit assessment district being established pursuant to the Glendale Community Benefit District Ordinance Number 5771, adopted unanimously by the Glendale City Council on April 10<sup>th</sup>, 2012, “the Ordinance”. Due to the special benefit assessment nature of assessments levied within a CBD, program costs are to be distributed amongst all identified specially benefiting properties based on the proportional amount of special program benefit each property is expected to derive from the assessments collected. The Ordinance refers to the concept of relative “benefit” received from CBD funded programs and activities versus amount of assessment paid. Only those properties expected to derive special benefits from CBD funded programs and activities may be assessed and only in an amount proportional to the relative special benefits expected to be received.

The method used to determine special benefits derived by each identified property within a CBD begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the Downtown Glendale CBD, the benefit unit may be measured in terms of in linear feet of primary street frontage or parcel size in square feet or building size in square feet or number of building floors or proximity to major corridors in average linear feet, or any combination of these factors.

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 other program costs, and possible benefit zones are estimated. There is only one benefit zone in the proposed Downtown Glendale CBD. Proposition 218 requires that indirect or general benefits not be incorporated into the assessment formula and levied on the District properties in property based assessment Districts; 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, government owned properties are not exempt from being assessed and if special benefit is determined to be conferred upon government owned properties, then those properties must be assessed in proportion to the special benefits conferred in a manner similar to privately owned property assessments.

Based on the foregoing, 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. Then the amount of assessment for each parcel can be computed by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all costs are allocated proportionally or “spread” amongst all properties within the CBD.

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

Here, program costs spreading variables include primary and secondary linear frontage, lot or parcel size and building square footage. During the first year of operation, approximately:

- \$ 275,000 or thirty-percent of the District revenues will be generated from linear frontage within the primary and secondary frontages;
- \$ 291,114.00 or thirty-two percent of the District revenues will be generated by the parcel size or lot size of CBD;
- \$ 341,978.00 or thirty-eight percent of the District revenues will be funded from the building square footage in the new CBD; and
- No revenues or percentage will be generated from the condo or single family residential units within the District since currently none exist within the public rights of way in the CBD.

***Annual costs per property, (to derive the total annual assessment, property owners should add all property variables apportioned to each benefitting individual parcel in the CBD)***

**Linear frontage costs:**                      ***Primary/\$10.25 or  
Secondary/\$6.33299, plus***

**Building Square footage costs:**      ***\$0.0368194, plus***

**Lot Size costs:**                              ***\$0.0634282 = the first year annual assessment***

**Residential condos:**                        ***\$0.25 per square foot of residential condo unit***

**Assessment district revenue generated by each property variable, first year of the CBD:**

|    |   |                      |
|----|---|----------------------|
| 1. | Linear Frontage:  | \$ 275,000.00        |
|    | (primary frontage will contribute \$ 145,826 and secondary frontage will contribute \$ 129,174) |                      |
| 2. | Building Square Footage:  | \$ 341,978.00        |
| 3. | Lot Size:   | <u>\$ 291,114.00</u> |
|    | Total:  | \$ 908,092.00        |

**Table 4-A**  
**Special Benefit Services, Funding Source, Costs and Percentage of Annual Budget**

| <b>Special Benefit Service</b>   | <b>Funded by:</b>  | <b>First year annual revenue/cost</b>   | <b>Percentage of budget</b> |
|--|--|---|-----------------------------|
| <b>Sidewalk Operations, Beautification and Order (SOBO) (see page 16)</b>  | Three sources:<br><br>1) ½ of the costs of \$275,000 funded by the primary and secondary linear frontages assessments<br><br>2. ¼ funded by <b>building square footage assessments</b> - \$ 137,500<br><br>3. ¼ funded by <b>lot size</b> footage <b>assessments</b> = \$137,500 | <b>\$ 550,000.00</b><br><br>Primary <b>frontage cost</b> : \$10.25 per linear foot<br><br>Secondary <b>frontage assessments</b> : \$6.33299 per linear foot<br><br><b>Building Square Footage</b> Costs (see District Identity)<br><br><b>Lot size costs</b> , (see Program Operations and Contingency) | 61%                         |
| <b>District Identity/Tourism Related and Marketing (see page 16)</b>   | 100% funded by <b>building square footage assessments</b>  | <b>\$ 205,000.00</b><br><br>Building Square Footage costs for the first year: \$ 0.0368194 per square foot  | 22%                         |
| <b>Enhanced Beautification for Residential Condos (See page 17)</b><br>(Supplemental to the Sidewalk Operations budget and will pay for enhanced services identified on page 17) | Residential condo square building footage only (no condos currently fronting along public rights of way in the proposed CBD)   | <b>\$ 00</b><br><br>Once condos have been built fronting along the public rights of way: \$0.25 per square foot of residential condo unit   | 0%                          |
| <b>Program Management/Corporate operations (See page 16)</b>   | Paid 100% from <b>Lot size assessments</b>   | <b>\$ 135,000.00</b><br>Lot size square footage costs for the first year: \$0.0634282   | 15%                         |
| <b>Contingency (See page 17)</b>   | Paid 100% by <b>Lot size assessments</b>   | <b>\$ 18,092.00</b><br>See lot size in Program Management section   | 2%                          |
| <b>Total</b>   |  | <b>\$ 908,092.00</b>  | <b>100%</b>                 |

Street Frontage Defined:

Individual parcels will be assessed for all sides that receive benefit from the Sidewalk Operations portion of the budget. Street frontage has been divided into “primary” and “secondary” frontages based upon the current and anticipated frequency of sidewalk operations services that will be required from each benefitting parcel.

Primary frontages have been identified in Section 2, Table 2A, page 11 of this plan. These frontages will receive at least seven day per week cleaning, beautification and security services, whereas the parcels in the secondary frontages will receive similar special benefit services a minimum of four times per week.

Linear front footage data was obtained from the County Assessor’s parcel maps and reviewed by staff at New City America, and finally verified by the City of Glendale.

Building Square Footage Defined:

Building square footage is defined as gross building square footage throughout the CBD, regardless of primary or secondary frontage services. The percentage of building square footage that is dedicated to private or internal tenant parking needs has been deducted from the gross building square footage. Only parking structures that are open to the public and charge fees to the general public on a regular basis will have their building square footage assessed as any other commercial building. Building square footage data was obtained from the County Assessor’s property records and reviewed by staff at New City America.

The building square footage will 1) cover the costs of all “District Identity/Tourism related and marketing special benefits funded from the CBD, 2) cover ¼ of the costs of the Sidewalk Operations special benefit services.

Lot Square Footage Defined:

Lot square footage is defined as the total amount of area within the borders of the parcel. The borders of a parcel are defined on the County Assessor’s parcel maps and were confirmed by New City America staff and City of Glendale.

Condo Residential Unit Parcel Defined:

Condo Residential Unit building square footage is defined as the livable building square footage within the walls of the condo residential unit parcel. They are included in a special zone to designate their unique special benefits relative to the other commercial parcels within the Downtown Glendale CBD. Unlike the other commercial parcels in the district, including commercially operated apartment buildings, residential condo parcels are assessed for building square footage only, and not assessed for linear frontage and lot square footage. Currently there are no residential or commercial condos in the proposed district boundaries.

Ground floor commercial condos or office condos would be assessed just as other commercial properties, based upon their location in a primary or secondary frontage area.



As a result of continued development, the Downtown Glendale CBD may experience the addition or subtraction of assessable commercial footage for parcels included and assessed within the CBD boundaries. The modification of parcel improvements assessed within the District may then change upwards or downwards the amount of total footage assessment of these parcels.

In future years, the assessments for the special benefits bestowed upon the included CBD parcels may change in accordance with the assessment methodology formula listed in this Management District Plan and Engineer's Report provided the assessment rate does not change. If the assessment formula changes, then a Proposition 218 ballot will be required for approval of the formula changes.

#### Exemptions

No parcels will be exempt from the assessments funding the special benefit services of the Downtown Glendale CBD. Special benefit services will not be provided to any parcels outside of the boundaries of the district.

Only buildings that are structurally unsound or are vacant due to construction defect or non-compliance with current earthquake and building codes will be exempted from the building assessments of the CBD. However, those parcels will still pay linear frontage charges and lot size assessments for the benefits those parcels will receive.

#### Calculation of Assessments

The proportionate special benefit derived by each identified parcel shall be determined in a relationship to the entirety of the improvement or the maintenance and operation expenses of an improvement or for the cost of property service being provided. Per California Constitutional Amendment Article XIII D, Section 2(i), "Special Benefit", means a particular and distinct benefit over and above general benefits conferred on a real property located in the district or to the public at large.

Four factors are used to determine the annual assessments. They include property variables for lot size, linear frontage and commercial building square footage. The fourth factor, residential condos, would only be assessed on livable building square footage.

No assessment will be imposed on any parcel that exceeds the reasonable cost of the proportional special benefits conferred upon that parcel. Only special benefits are assessable and these benefits must be separated from any general benefits. A general benefit is defined as a benefit to properties in the surrounding community or a benefit to the public in general resulting from improvement, activity or service to be provided by the assessment levied. For example, CBD property owners will derive benefit from sidewalk cleaning and security services, however the general public will also benefit from the delivery of these special benefit services.

The special benefits funded by this new Downtown Glendale CBD will be over and above existing City of Glendale baseline service levels in the commercially zoned parcels and will serve

to increase tenancies, increase commerce, increase economic viability and fund a system of cleanliness and beautification over and above current service levels.

All benefits derived from the assessment outlined in the Management District Plan (MDP) fund only services directly and specifically benefiting the property owners in the CBD. These special benefits will include maintenance and security, increased commerce and all the other goals and objectives of the Downtown Glendale CBD's purpose.

Properties are assessed as defined on the County Assessor's most current parcel maps.

The preceding methodology is applied to the database of parcels within the District. The process for compiling the property database includes the following steps:

- A report was submitted to the City Economic Development Department using the data obtained from the Los Angeles County Tax Assessors office.
- A list of properties to be included within the Downtown Glendale CBD is provided in Section 7.

The basis of funding shall be through special benefit assessments levied on real property throughout the District. The rates of assessment vary by the proportionate amount of special benefit received by each parcel. A detailed explanation of the special benefit assessment rationale is made in the attached Engineer's Report.

The Calculation of Assessment for each parcel in the Downtown Glendale CBD is as follows:

**Commercial parcel assessment:**

**The typical assessment method for all Primary Frontage commercial parcels and ground floor commercial condominiums is:**

$$\begin{array}{l} \text{Total Street Frontage X \$ 10.25 per linear foot} \\ \text{\textit{plus}} \\ \text{Total Lot Square Footage X \$0.0634282 per square foot} \\ \text{\textit{plus}} \\ \text{Total Building Square footage X \$0.0368194 per square foot} \\ \text{\textit{Equals}} \\ \text{TOTAL PARCEL ASSESSMENT} \end{array}$$

**The typical assessment method for all Secondary Frontage commercial parcels and ground floor commercial condominiums is:**

$$\begin{aligned} &\text{Total Street Frontage X \$ 6.33299 per linear foot} \\ &\quad \textbf{plus} \\ &\text{Total Lot Square Footage X \$0.0634282 per square foot} \\ &\quad \textbf{plus} \\ &\text{Total Building Square footage X \$0.0368194 per square foot} \\ &\quad \textbf{Equals} \\ &\textbf{TOTAL PARCEL ASSESSMENT} \end{aligned}$$

### **Condo/Single residential unit parcels**

The current Downtown Specific Plan allows for residential condo units to be built on mixed used zoned land. There are currently no residential condos fronting along the public rights of way within the boundaries of the Downtown Glendale CBD.

These residential condo unit parcels will be assessed only for their building square footage at the rate of \$0.25 per square foot.. These owners will receive special benefits from enhanced cleanliness and safety as well as for administrative services but not from marketing and district identity programs designed to attract and retain businesses. A detailed explanation of their special benefit and the rationale for this assessment is provided in the Engineer's Report. The Calculation of Assessment for each Condo Residential Unit in the CBD is as follows:

#### **The assessment method for a typical residential condo is:**

$$\begin{aligned} &\text{Total Residential Unit Square footage X \$0.25 per Square Foot} \\ &\quad \textbf{Equals} \\ &\textbf{TOTAL RESIDENTIAL CONDO UNIT ASSESSMENT} \end{aligned}$$

### **Rationale for Residential Condo Assessments:**

By way of example, the comparative costs between a typical 40,000 square foot condo development and a typical 40,000 square foot office building are broken down as follows:

- It is a corner parcel with 200 linear feet, 100 feet per side in the primary frontage zone;
- The lot size is 10,000 square feet;
- There is first floor parking and the building is stacked on top;
- There is 30,000 square feet of building over parking;

***The costs for the commercial building, using these factors are as follows:***

|  |   |
|--|---|
| 100 linear feet x \$10.25 =            | \$ 2,050.00                               |
| 10,000 sq ft in lot size =             | \$ 634.00                                 |
| 30,000 square feet in building sq. ft. | <u>\$ 1,104.00</u> (parking not assessed) |

Total assessment for the office building: \$ 3,788.00 per year

On average, the office building would receive services five days per week or at about 261 days per year. Therefore the office building owner would pay an average of \$ 14.51 per day for the CBD services.

***The residential condo building, based upon commonly used assumptions, has the following factors:***

On average, the livable areas of residential condos are used seven days per week. For example, 30,000 of gross residential square footage is not all livable space. Roughly 25% of that gross square footage is devoted to elevators, stair wells, utility closets and entry ways, yielding about 22,500 of actual living area. If 22,500 square feet of living area is multiplied by the residential condo costs of .25 per square foot yielding \$5,625.00 in annual assessment or \$15.41 per day.

This daily value is based upon residential condo buildings receiving the sidewalk operations, administrative and enhanced beautification services as listed on page 17. Therefore, based upon the additional services offered and the higher use frequency of residential condo buildings, the costs to provide the special benefits are proportionally higher per lot, per frontage and per building square footage to cover the costs of the additional residential services. However, residential condos are only assessed based on the building square footage factor and not the other factors in order to more accurately reflect the apportionment of special benefits among the individually owned units.

### **Commercial Condominium Parcels**

Ground floor commercial condominiums will be treated like independent “mini” commercial buildings and assessed based on their divided building area, the footprint of land they cover, and the amount of direct street frontage towards the exterior of the building. Ground floor commercial condominiums will pay 100% of the special benefits for the assessment based upon where they are within the primary and secondary frontages.

Upper floor commercial condominiums, however, do not have direct access to street frontage services and are deemed to only receive special benefit for the commercial services rendered to the entire building. Therefore, they will pay 100% of the special benefits provided from the target services and programs provided. A further explanation of their special benefit and the rationale for this assessment is provided in the Engineer’s Report.

**Publicly owned parcels**

Publicly owned property will be assessed the same as privately owned parcels based upon their location within the primary or secondary frontage areas.

**Table 4 – B**  
**Database for Downtown Glendale CBD:**  
**Assessable property variables in Primary Frontage Areas**

| <b><i>Linear Frontage<br/>Total</i></b> | <b><i>Lot Square<br/>Footage Total</i></b> | <b><i>Building Square<br/>Footage Total</i></b> | <b><i>Condo Residents Unit<br/>Parcels, Building Square<br/>Footage to be assessed</i></b> |
|---|--|---|--|
| 14,277 linear feet                      | 4,589,656 sq. ft.                          | 9,287,982 sq. ft.                               | 0 sq. feet   |

**Table 4 – C**  
**Database for Downtown Glendale CBD:**  
**Assessable property variables in Secondary Frontage Areas**

| <b><i>Linear Frontage<br/>Total</i></b> | <b><i>Lot Square<br/>Footage Total</i></b> | <b><i>Building Square<br/>Footage Total</i></b> | <b><i>Condo Residents Unit<br/>Parcels, Building Square<br/>Footage to be assessed</i></b> |
|---|--|---|--|
| 20,397 linear feet                      | See Table 4 - B.                           | See Table 4 - B                                 | See Table 4 - B  |

**Table 4 – D**  
**Amount Generated Per Property Variable, First Year in Downtown Glendale CBD:**

| <b><i>Primary Linear<br/>Frontage Total</i></b> | <b><i>Secondary<br/>Linear<br/>Frontage</i></b> | <b><i>Lot Square<br/>Footage Total</i></b> | <b><i>Building Square<br/>Footage Total</i></b> | <b><i>Condo Residents Unit<br/>Parcels, Building<br/>Square Footage to be<br/>assessed</i></b> |
|---|---|--|---|--|
| \$145,826.00                                    | \$ 129,174.00                                   | \$ 291,114.00                              | \$ 341,978.00                                   | 0  |

**Maximum Assessment**

Assessments will be subject to changes in the Los Angeles County Consumer Price Index (CPI), for all urban consumers, annual increases not to exceed 5% per year. Increases will be determined by the CBD District Management Corporation and will vary between 0% and 5% in any given year. The maximum the assessments can be increased is 5% over the previous fiscal year's base assessments. Not implementing the increase for one year does not give the District Management Corporation the authority to accumulate increases above 5% within any given fiscal year. The following projections illustrate a potential 5% annual increase.

**Table 4 – E**  
**Benefit Zone 1 Maximum Assessments by Property Variable**

| Projected Assessment    | FY 1         | FY2          | FY3          | FY4          |
|-------------------------|--------------|--------------|--------------|--------------|
| Linear Frontage 1       | \$10.25      | \$10.76      | \$11.30      | \$11.87      |
| Linear Frontage 2       | \$ 6.33299   | \$ 6.64964   | \$ 6.98212   | \$ 7.33123   |
| Building Square Footage | \$ 0.0368194 | \$ 0.0386604 | \$ 0.0405934 | \$ 0.0426231 |
| Lot Square Footage      | \$ 0.0634282 | \$ 0.0665996 | \$ 0.0699296 | \$ 0.0734261 |

| Projected Assessment    | FY5          | FY6          | FY7          |
|-------------------------|--------------|--------------|--------------|
| Linear Frontage 1       | \$12.46      | \$13.08      | \$13.74      |
| Linear Frontage 2       | \$ 7.69779   | \$ 8.08268   | \$ 8.48681   |
| Building Square Footage | \$ 0.0447542 | \$ 0.0469919 | \$ 0.0493415 |
| Lot Square Footage      | \$ 0.0770974 | \$ 0.0809522 | \$ 0.0849999 |

### **Budget Adjustments**

Annual budget surpluses, if any, will be rolled into the following year’s budget. Assessments will be set annually, within the constraints of the CPI or land use changes. Revenues from the delinquent accounts may be expended in the year they are received. If the District is not renewed, any remaining funds will be returned to property owners in the proportion by what each property owner paid.

If after the initial term the District decides to renew and if there is money left over from the previous term, the balance of remaining funds will be rolled over into the renewed district. These “rolled over” funds may only be used within the boundaries of the renewed district and cannot be expended for activities, services, or improvements in an area expanded beyond the original District. However, the rolled over funds may be used to finish District Management Corporation activities in the original district.

### **Time and Manner for Collecting Assessments**

The Downtown Glendale CBD assessments will appear as a separate line item on annual property tax bills prepared by the County of Los Angeles. The assessments shall be collected at the same time and in the same manner as for the ad valorem property tax paid to the County of Los Angeles. These assessments shall provide for the same lien priority and penalties for delinquent payment as is provided for the ad valorem property tax.

Any delinquent assessments owed for the first year will be added to the property tax roll for the following year together with any applicable interest and penalties. The “property owner” means any person shown as the owner/taxpayer on the last equalized assessment roll or otherwise known to be the owner/taxpayer by the City.

**Disestablishment**

California State Law, Section 36670 provides for the disestablishment of a District. Upon the termination of the previous District, any remaining revenues shall be transferred to the renewed District, if one is established, pursuant to Streets and Highways Code Section 36660(b). Unexpended surplus funds will be returned to property owners based upon each parcels percentage contribution to the previous fiscal year's assessments if the District is not renewed.

**Government Assessments**

The Downtown Glendale CBD Management Plan assumes that the City of Glendale, the Successor Agency and other government entities will pay assessments for the public property within the boundaries of the District. Article XIII D, Section 4 of the California Constitution was added in November of 1996 to provide for these payments.

Parcels owned by the City of Glendale, controlled by the Successor agency, the State of California, the Glendale City Unified School District, and the County of Los Angeles shall receive benefits, commensurate with the assessments paid into the Downtown Glendale CBD. The publicly owned parcels are presumed to benefit equally to the privately owned parcels for the special benefits provided.

**Future Development**

As a result of continued development, the District may experience the addition or subtraction of assessable commercial or residential building footage for parcels included and assessed within the District boundaries. The modification of parcel improvement assessed within the District may then change upwards or downwards the amount of total building square footage assessment for these parcels.

In the future years, the assessments for the special benefits bestowed upon the included CBD parcels may change in accordance with the assessment methodology formula listed in the Management District Plan and Engineer's Report provided the assessment rate does not change. If the assessment formula changes, then a Proposition 218 ballot will be required to approve the formula changes.

**Table 4 - F**  
**Government Owned Parcels in the**  
**Downtown Glendale CBD**

| Legal Owner  | APN          |     |   | Address     | Annual Assessment   | Percent       |
|--------------|--------------|-----|---|-------------|---------------------|---------------|
| GLENDAL CITY | 5642 001 923 | 200 | W | BROADWAY    | \$3,863.10          | 0.43%         |
| GLENDAL CITY | 5642 001 944 |     |   |             | \$7,037.60          | 0.77%         |
| GLENDAL CITY | 5642 004 900 | 205 | W | HARVARD     | \$1,577.87          | 0.17%         |
| GLENDAL CITY | 5642 004 906 |     |   |             | \$988.21            | 0.11%         |
| GLENDAL CITY | 5642 004 907 | 136 | S | MARYLAND    | \$2,316.19          | 0.26%         |
| GLENDAL CITY | 5642 004 908 | 124 | S | MARYLAND    | \$988.21            | 0.11%         |
| GLENDAL CITY | 5642 004 909 | 120 | S | MARYLAND    | \$1,111.21          | 0.12%         |
| GLENDAL CITY | 5642 004 910 | 128 | S | MARYLAND    | \$988.21            | 0.11%         |
| GLENDAL CITY | 5642 005 920 |     |   |             | \$29.56             | 0.00%         |
| GLENDAL CITY | 5642 005 922 | 117 | N | MARYLAND    | \$2,760.59          | 0.30%         |
| GLENDAL CITY | 5642 005 924 | 115 | N | MARYLAND    | \$11,175.42         | 1.23%         |
| GLENDAL CITY | 5642 005 935 |     | W | COLORADO ST | \$53,958.58         | 5.94%         |
| GLENDAL CITY | 5642 013 902 | 216 | S | BRAND       | \$1,139.05          | 0.13%         |
| GLENDAL CITY | 5642 013 903 | 218 | S | BRAND       | \$1,139.05          | 0.13%         |
| GLENDAL CITY | 5642 013 904 | 212 | S | BRAND       | \$500.49            | 0.06%         |
| GLENDAL CITY | 5642 014 950 |     |   |             | \$6,183.01          | 0.68%         |
| GLENDAL CITY | 5642 014 951 |     |   |             | \$1,601.23          | 0.18%         |
| GLENDAL CITY | 5642 015 900 | 232 | N | ORANGE      | \$2,424.65          | 0.27%         |
| GLENDAL CITY | 5642 015 901 |     |   |             | \$808.22            | 0.09%         |
| GLENDAL CITY | 5642 015 902 | 210 | N | ORANGE      | \$808.22            | 0.09%         |
| GLENDAL CITY | 5642 015 904 | 222 | N | ORANGE      | \$8,601.78          | 0.95%         |
| GLENDAL CITY | 5642 015 905 | 227 | N | BRAND       | \$592.93            | 0.07%         |
| GLENDAL CITY | 5642 015 906 |     |   |             | \$744.79            | 0.08%         |
| GLENDAL CITY | 5642 015 907 | 246 | N | ORANGE      | \$3,058.22          | 0.34%         |
| GLENDAL CITY | 5642 016 901 | 215 | N | MARYLAND    | \$3,852.99          | 0.42%         |
| GLENDAL CITY | 5642 016 902 |     |   |             | \$1,450.60          | 0.16%         |
| GLENDAL CITY | 5642 016 903 |     |   |             | \$423.09            | 0.05%         |
| GLENDAL CITY | 5642 016 904 |     |   |             | \$575.63            | 0.06%         |
| GLENDAL CITY | 5642 016 905 |     |   |             | \$736.86            | 0.08%         |
| GLENDAL CITY | 5642 016 906 |     |   |             | \$736.86            | 0.08%         |
| GLENDAL CITY | 5642 016 907 | 111 | E | WILSON      | \$886.87            | 0.10%         |
| GLENDAL CITY | 5642 016 908 | 216 | N | BRAND       | \$1,222.13          | 0.13%         |
| GLENDAL CITY | 5642 016 909 | 216 | N | BRAND       | \$2,128.10          | 0.23%         |
| GLENDAL CITY | 5643 019 900 | 303 | N | MARYLAND    | \$3,630.94          | 0.40%         |
| GLENDAL CITY | 5643 020 906 |     |   |             | \$4,041.09          | 0.45%         |
| GLENDAL CITY | 5695 005 936 |     |   |             | \$1,552.56          | 0.17%         |
| GLENDAL CITY | 5695 005 937 |     |   |             | \$1,550.33          | 0.17%         |
| <b>TOTAL</b> |              |     |   |             | <b>\$137,184.45</b> | <b>15.11%</b> |



## **Section 5**

### **District Rules and Regulations**

There are no specific rules and regulations prescribed for the proposed Downtown Glendale Community Benefit District Management Corporation except that it will adhere to the open meeting provisions of the Ralph M. Brown Act and will seek to be as open and transparent to the CBD assesseses and the public at large as is reasonably possible.

#### **Bonds:**

The District will not issue any bonds related to any program.

## **Section 6**

### **Implementation Timetable**

The Downtown Glendale CBD is expected to be established and begin implementation of the Management District Plan on January 1, 2013. Consistent with the local enabling ordinance, the Downtown Glendale CBD will have a seven-year term through December 31, 2019.

## Section 7

### Parcel Numbers of Properties Included

| APN          | Assessment  |              |             |
|--------------|-------------|--------------|-------------|
| 5642 001 059 | \$11,436.47 | 5642 005 044 | \$1,045.27  |
| 5642 001 060 | \$336.77    | 5642 005 057 | \$3,372.13  |
| 5642 001 061 | \$7,865.63  | 5642 005 066 | \$316.32    |
| 5642 001 063 | \$172.17    | 5642 005 079 | \$5,905.56  |
| 5642 001 066 | \$420.39    | 5642 005 081 | \$2,019.98  |
| 5642 001 067 | \$416.59    | 5642 005 083 | \$2,513.42  |
| 5642 001 068 | \$1,364.78  | 5642 005 087 | \$861.03    |
| 5642 001 069 | \$1,147.26  | 5642 005 089 | \$2,462.16  |
| 5642 001 070 | \$129.75    | 5642 005 090 | \$1,837.90  |
| 5642 001 071 | \$1,301.58  | 5642 005 091 | \$10,184.44 |
| 5642 001 072 | \$23,876.29 | 5642 005 920 | \$29.56     |
| 5642 001 073 | \$65.31     | 5642 005 922 | \$2,760.59  |
| 5642 001 074 | \$40.47     | 5642 005 924 | \$11,175.42 |
| 5642 001 075 | \$1,796.77  | 5642 013 001 | \$2,957.03  |
| 5642 001 802 | \$2,005.78  | 5642 013 002 | \$770.65    |
| 5642 001 923 | \$3,863.10  | 5642 013 003 | \$1,251.25  |
| 5642 001 944 | \$7,037.60  | 5642 013 006 | \$1,177.71  |
| 5642 002 090 | \$20,992.23 | 5642 013 007 | \$1,120.64  |
| 5642 002 092 | \$24,650.10 | 5642 013 008 | \$1,163.43  |
| 5642 002 094 | \$5,075.46  | 5642 013 011 | \$3,737.44  |
| 5642 002 095 | \$3,647.44  | 5642 013 902 | \$1,139.05  |
| 5642 003 020 | \$1,493.40  | 5642 013 903 | \$1,139.05  |
| 5642 003 021 | \$3,057.97  | 5642 013 904 | \$500.49    |
| 5642 003 032 | \$2,277.12  | 5642 014 057 | \$2,650.37  |
| 5642 003 033 | \$1,331.99  | 5642 014 058 | \$3,667.06  |
| 5642 003 039 | \$13,289.47 | 5642 014 059 | \$16,174.64 |
| 5642 003 040 | \$13,222.24 | 5642 014 060 | \$1,157.63  |
| 5642 003 041 | \$3,637.30  | 5642 014 061 | \$90.58     |
| 5642 003 042 | \$4,434.03  | 5642 014 062 | \$1,346.45  |
| 5642 004 047 | \$6,310.40  | 5642 014 063 | \$1,473.33  |
| 5642 004 900 | \$1,577.87  | 5642 014 064 | \$1,684.05  |
| 5642 004 906 | \$988.21    | 5642 014 067 | \$5,668.76  |
| 5642 004 907 | \$2,316.19  | 5642 014 068 | \$1,437.76  |
| 5642 004 908 | \$988.21    | 5642 014 069 | \$13,132.74 |
| 5642 004 909 | \$1,111.21  | 5642 014 070 | \$6,644.39  |
| 5642 004 910 | \$988.21    | 5642 014 071 | \$1,219.30  |
| 5642 005 024 | \$2,157.39  | 5642 014 072 | \$1,696.15  |
| 5642 005 029 | \$2,060.49  | 5642 014 073 | \$5,961.92  |
| 5642 005 030 | \$1,353.99  | 5642 014 074 | \$2,758.80  |
| 5642 005 031 | \$4,258.60  | 5642 014 075 | \$6,753.17  |
| 5642 005 032 | \$830.31    | 5642 014 076 | \$1,783.53  |
| 5642 005 033 | \$673.24    | 5642 014 078 | \$8,167.15  |
| 5642 005 034 | \$3,926.96  | 5642 014 079 | \$5,614.34  |
| 5642 005 042 | \$2,993.43  | 5642 014 080 | \$1,644.69  |
| 5642 005 043 | \$1,121.19  | 5642 014 181 | \$9,390.84  |
|              |             | 5642 014 950 | \$6,183.01  |

|              |             |              |                     |
|--------------|-------------|--------------|---------------------|
| 5642 014 951 | \$1,601.23  | 5643 002 049 | \$50,671.11         |
| 5642 015 026 | \$2,963.51  | 5643 003 001 | \$2,791.19          |
| 5642 015 027 | \$1,199.92  | 5643 003 002 | \$1,140.64          |
| 5642 015 028 | \$1,245.95  | 5643 003 003 | \$1,175.36          |
| 5642 015 029 | \$1,272.27  | 5643 003 024 | \$947.30            |
| 5642 015 030 | \$1,126.28  | 5643 003 025 | \$1,004.07          |
| 5642 015 032 | \$1,770.10  | 5643 003 039 | \$12,803.96         |
| 5642 015 033 | \$1,515.65  | 5643 003 040 | \$7,063.48          |
| 5642 015 034 | \$1,264.36  | 5643 004 048 | \$38,325.48         |
| 5642 015 035 | \$1,393.22  | 5643 004 049 | \$18,247.02         |
| 5642 015 036 | \$4,744.93  | 5643 004 057 | \$12,428.02         |
| 5642 015 037 | \$1,615.06  | 5643 004 058 | \$15,929.04         |
| 5642 015 038 | \$1,102.91  | 5643 018 031 | \$956.88            |
| 5642 015 039 | \$795.53    | 5643 018 032 | \$11,212.70         |
| 5642 015 040 | \$965.71    | 5643 018 084 | \$11,006.42         |
| 5642 015 059 | \$922.54    | 5643 019 040 | \$1,102.54          |
| 5642 015 900 | \$2,424.65  | 5643 019 041 | \$2,294.24          |
| 5642 015 901 | \$808.22    | 5643 019 042 | \$1,156.88          |
| 5642 015 902 | \$808.22    | 5643 019 043 | \$2,570.31          |
| 5642 015 904 | \$8,601.78  | 5643 019 044 | \$1,921.23          |
| 5642 015 905 | \$592.93    | 5643 019 203 | \$19,354.33         |
| 5642 015 906 | \$744.79    | 5643 019 204 | \$15,710.27         |
| 5642 015 907 | \$3,058.22  | 5643 019 900 | \$3,630.94          |
| 5642 016 057 | \$3,786.92  | 5643 020 046 | \$927.88            |
| 5642 016 058 | \$1,108.61  | 5643 020 047 | \$1,297.92          |
| 5642 016 059 | \$1,239.47  | 5643 020 048 | \$2,520.89          |
| 5642 016 061 | \$1,305.23  | 5643 020 049 | \$3,995.38          |
| 5642 016 063 | \$1,146.97  | 5643 020 050 | \$1,236.74          |
| 5642 016 064 | \$1,073.33  | 5643 020 051 | \$1,740.51          |
| 5642 016 065 | \$1,146.97  | 5643 020 052 | \$1,196.24          |
| 5642 016 070 | \$987.65    | 5643 020 053 | \$1,180.56          |
| 5642 016 071 | \$1,227.69  | 5643 020 054 | \$1,256.40          |
| 5642 016 072 | \$1,705.45  | 5643 020 055 | \$2,731.96          |
| 5642 016 073 | \$4,982.36  | 5643 020 056 | \$1,724.60          |
| 5642 016 901 | \$3,852.99  | 5643 020 057 | \$4,518.42          |
| 5642 016 902 | \$1,450.60  | 5643 020 058 | \$5,256.75          |
| 5642 016 903 | \$423.09    | 5643 020 906 | \$4,041.09          |
| 5642 016 904 | \$575.63    | 5695 005 040 | \$16,080.63         |
| 5642 016 905 | \$736.86    | 5695 005 041 | \$5,214.49          |
| 5642 016 906 | \$736.86    | 5695 005 043 | \$13,930.17         |
| 5642 016 907 | \$886.87    | 5695 005 046 | \$45,964.71         |
| 5642 016 908 | \$1,222.13  | 5695 005 047 | \$15,221.28         |
| 5642 016 909 | \$2,128.10  | 5695 005 935 | \$53,958.58         |
| 5643 001 040 | \$4,114.03  | 5695 005 936 | \$1,552.56          |
| 5643 001 052 | \$34,235.95 | 5695 005 937 | \$1,550.33          |
| 5643 001 053 | \$8,551.68  |              |                     |
| 5643 001 059 | \$4,039.44  | <b>TOTAL</b> | <b>\$908,092.29</b> |
| 5643 001 064 | \$2,565.42  |              |                     |

**General Benefits:**

The establishment of the Community Benefit District (CBD) will not affect the City's policy to continue to provide the same level of services to the area within the boundaries of the CBD as it provides to other similar areas of the City. In the event of a significant downturn in city revenues, the City Council retains the right to reduce all and any level of municipal services citywide, including the area within the CBD.

**General Benefit (citywide) Compared to Enhanced Services (CBD) within Downtown Glendale****Street Sweeping**

General: Every other week  
Enhanced: 4 times per week

**Sidewalk Cleaning**

General: None  
Enhanced: Twice per month (Brand)  
Once per month (peripheral streets)

**Trash Collection** (litter containers)

General: 3 times per week  
Enhanced: Daily

**Landscaping Maintenance** (median lawn)

General: Once every 2-3 weeks  
Enhanced: Once a week

**Porter Services** (emptying ash trays, litter & trash removal on sidewalks & parking lots)

General: None  
Enhanced: Week Days

**City-Wide General Benefits****Fire Services**

General: Fire protection, safety education, ambulance services

**Police Services**

General: Patrol, Crime protection & education, community policing, conflict resolution

**Utilities**

General: Lighting