

C.F. 16-0749

LOUIS TRAEGER
201 N WESTSHORE DR 2302
CHICAGO, IL 60601

August 9, 2016

COUNCIL OF THE CITY OF LOS ANGELES
ATTN: LOS ANGELES CITY CLERK
COPY FOR ALL COUNCILMEMBERS
200 N. SPRING STREET
LOS ANGELES, CA 90012

2016 AUG 15 PM 3:25
CITY CLERK
BY _____ DEPUTY

RE: OPPOSITION TO VENICE BID
HEARING DATE: AUGUST 23, 2016 10:00 AM
COUNCIL CHAMBER ROOM 340

PROTEST

Ladies and Gentlemen;

Would you please distribute a copy of my enclosed opposition
to the Venice BID to each Council member before the hearing date of
August 23, 2016

Yours truly,

Louis Traeger

Encl.

Opposition to the Proposed Ordinance 184382 for Approval of the Venice Beach Business Improvement District

Hearing Date: August 23, 2016

Time: 10:00 a.m.

Hearing Place: Room 340 John Ferraro Council Chamber

City Hall, 200 North Spring Street

Los Angeles, CA 90012

I am the owner of the only single family residential property included in the proposed Venice Beach Business Improvement District.

I oppose the adoption of the ordinance and ADOPTION OF ENGINEER'S REPORT AND MANAGEMENT DISTRICT PLAN because my property should not be included in the BID or assessed in the proposed Plan.

I can not attend the hearing on August 23, 2016, because I live in Chicago and find it difficult to attend in person. I request that you consider this written opposition in lieu of an oral presentation.

Submitted by:

Louis V. Traeger (misspelled on public records as Treager)
Owner: 207 E. Horizon Ave., Venice, CA 90291
AIN 4238-010-016

Contact Information:

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Chicago IL 60601
312-337-1154
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Background page 6

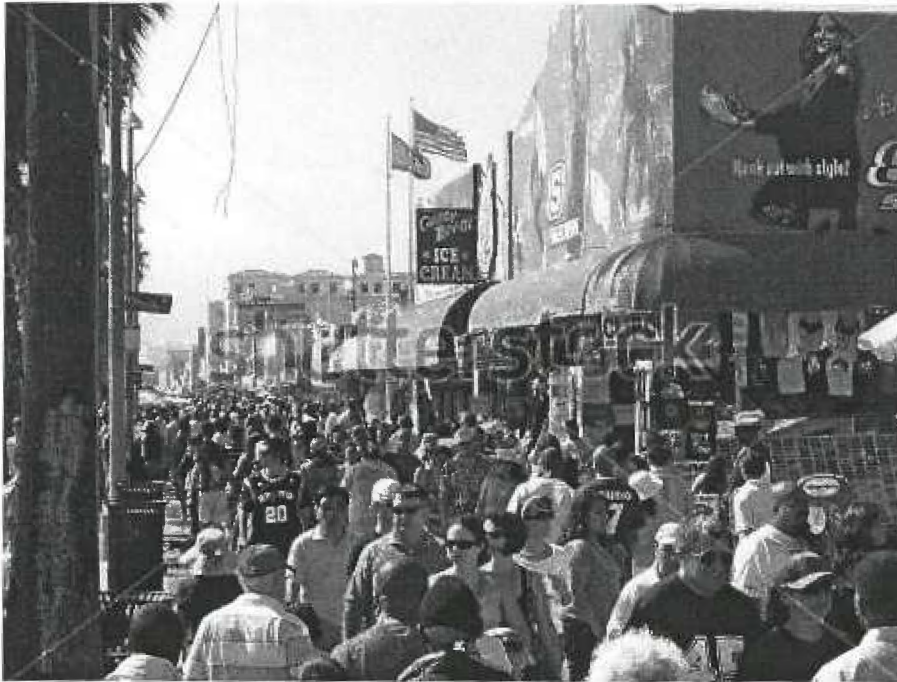
**BUSINESS IMPROVEMENT DISTRICTS CANNOT ASSESS
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MY PROPERTY IS ZONED SOLEY FOR RESIDNTIAL USE page 7

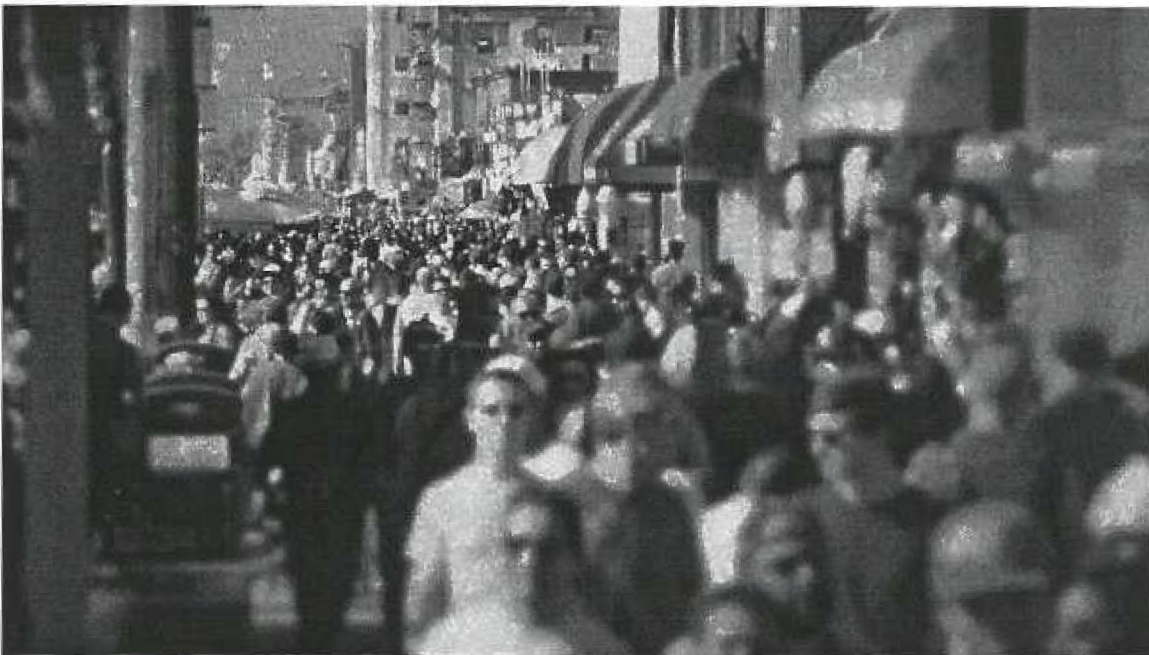
**WHILE MY PROPERTY SHOULD NOT BE ASSESSED AT ALL,
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VENICE BEACH BOARDWALK

At Least 16 million people per year come to the Boardwalk:

(Venice Chamber of Commerce, p3 Engineer's Report)

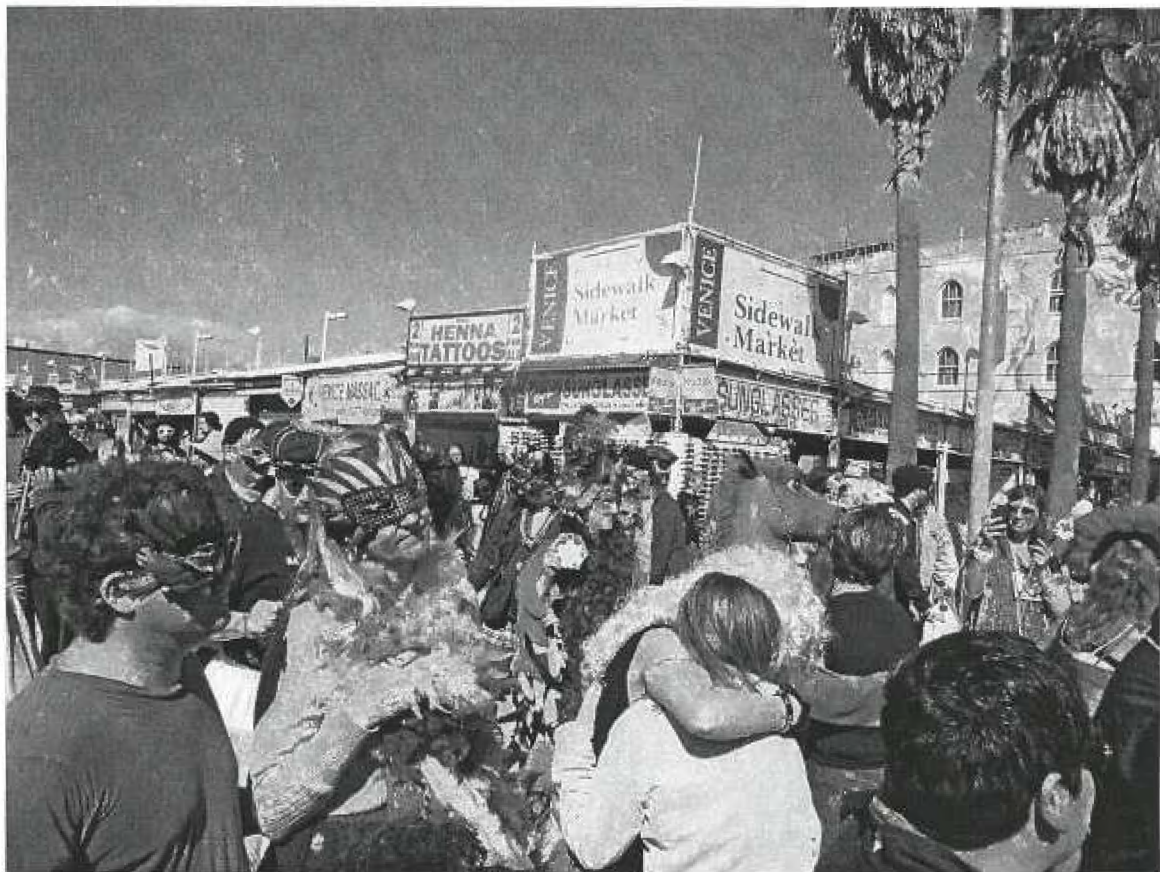
Between 1.3 and 1.5 million people per month come to the Boardwalk:

Between 45,000 and 55,000 people per day come to the Boardwalk:

All these people come to the Ocean Front Boardwalk



Restaurants attract thousands of customers per day to the Boardwalk



Hundreds of small businesses operate from booths 10 feet wide and attract thousands of people per day to their Boardwalk businesses

Background

Because of the large number of people who come to the Venice Boardwalk, Venice business owners are seeking to create "The Venice Beach BID". State law provides that a BID can be created by submitting to the City Council for approval, an engineering report seeking to assess property in the BID along with a majority vote of **only** property owners who would be in the proposed BID.

Venice business owners propose that properties within the boundaries of the Venice BID be assessed for the costs of the various business improvement programs being planned. Properties are supposed to be assessed based on the **proportional** amount of **special** benefits **each** property is expected to receive from the BID.

The commercial parcels in the proposed District are heavily tourist-related: hotels, vacation rentals, restaurants, bars, entertainment, paid parking, visitor services, and a variety of retail, including sales/rentals of sports and recreation equipment, etc.
(Engineer report p3)

At the August 23 hearing, the City Council may vote to approve or disapprove the BID, modify the BID boundaries, and determine the proper amount of special benefits and the assessment on each property, if any. This means that the Council can vote to exclude properties from the boundaries of the BID, reduce assessments or eliminate assessments altogether on properties that do not receive **special benefits** from the BID.

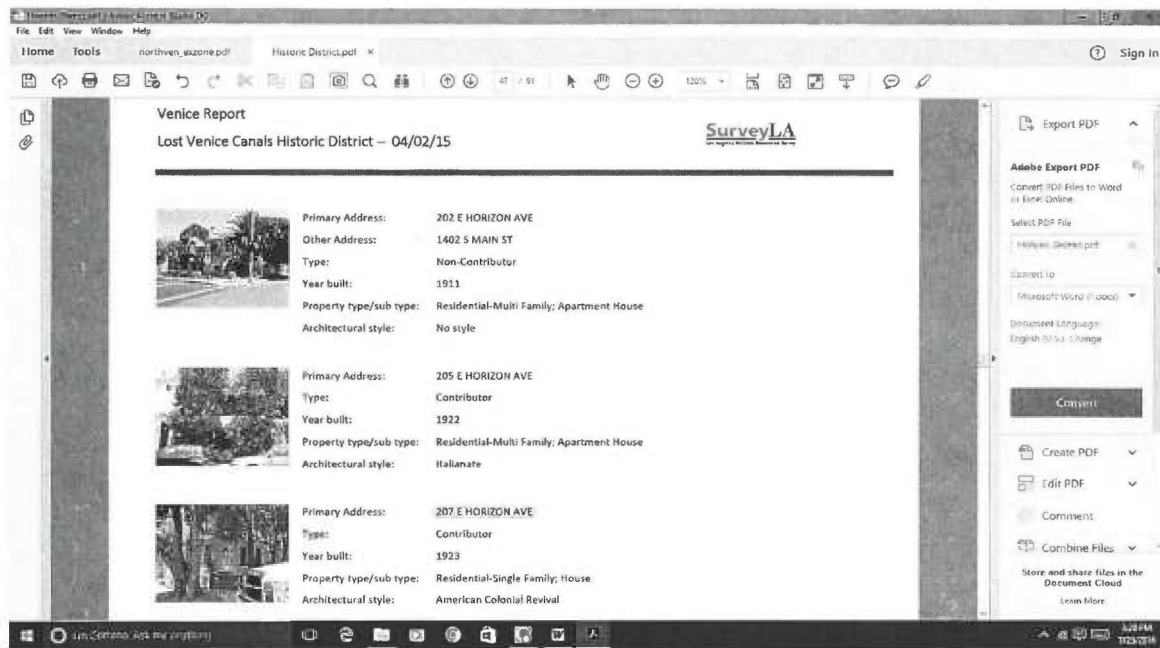
BUSINESS IMPROVEMENT DISTRICTS CANNOT ASSESS PROPERTIES ZONED SOLELY FOR RESIDENTIAL USE

The assessment of property used solely for residential purposes is prohibited. STREETS AND HIGHWAYS CODE SECTION 36632(c) provides that: " Properties zoned solely for residential use, or that are zoned for agricultural use, are **conclusively presumed** not to benefit from the improvements and service funded through these assessments, **and shall not be subject to any assessment pursuant to this part.**" (Engineer Report p 5.)

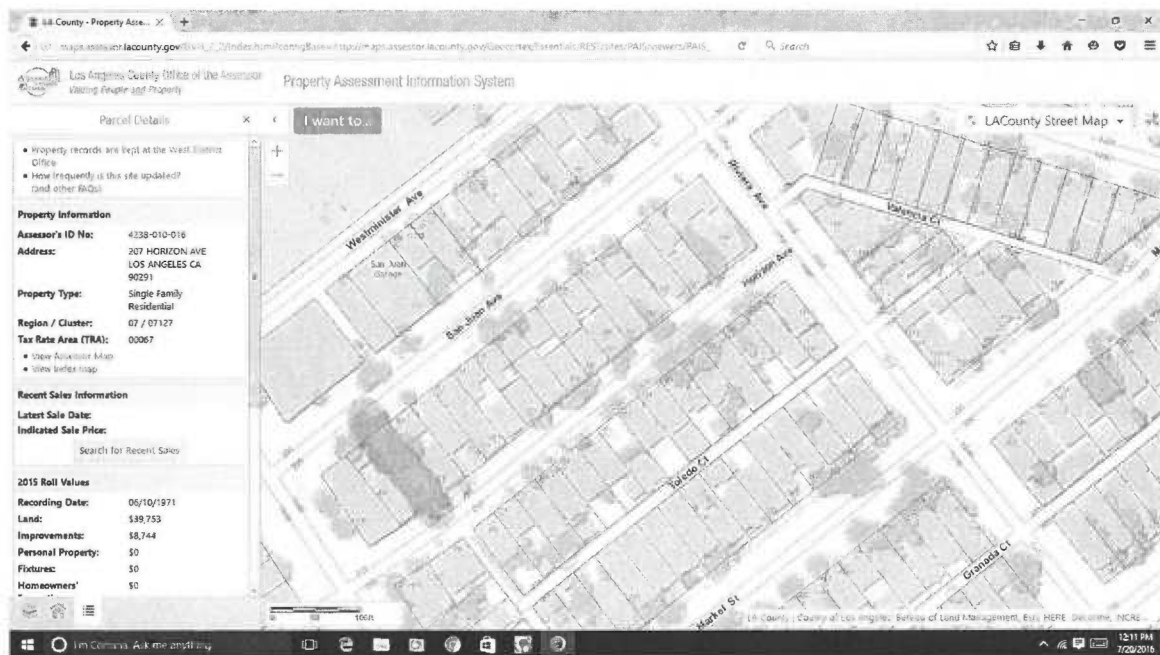
MY PROPERTY IS ZONED SOLEY FOR RESIDENTIAL USE.

My property is located at 207 E Horizon Ave (AIN 4238-010-016). I have owned the property for 45 years and it has been exclusively residential. It is surrounded on all sides by residential buildings. The house was built in 1923 and is located on a tree lined street in the **Lost Venice Canals Historical District** (p47 of Historical Dist).

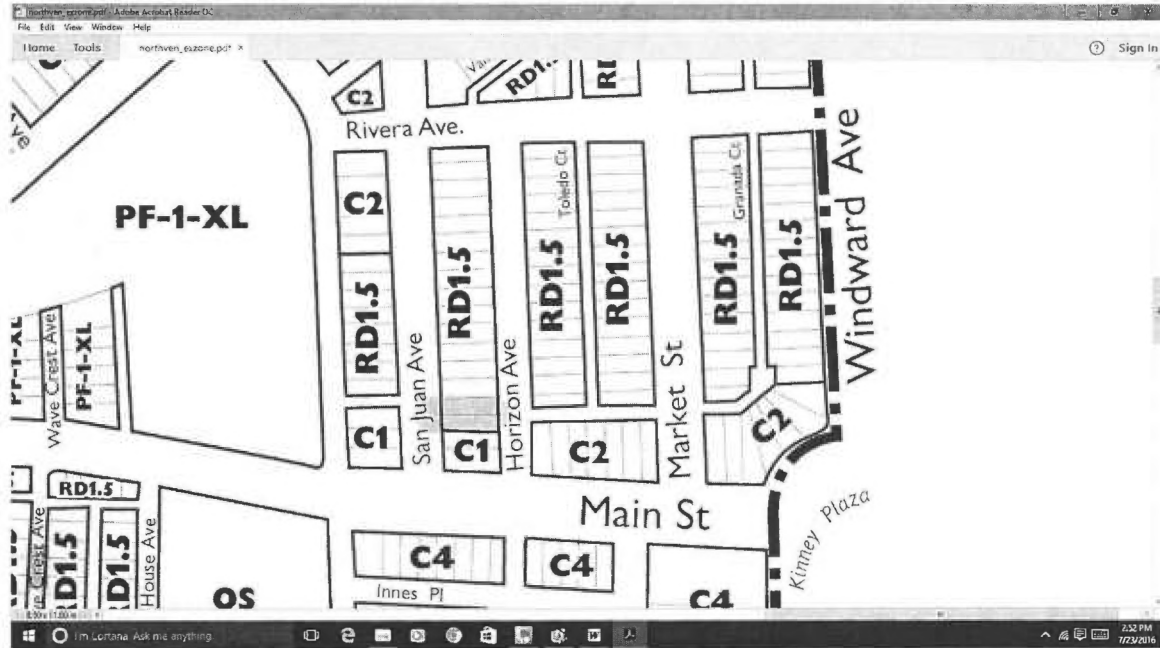




The Venice Canals Historical District identifies my property as single family residential as does the Los Angeles County Assessor.



The California Costal Commission identifies my property as zoned **RD1.5**. See: "The Venice Costal Zone Specific Plan", most recent map, Exhibit 7a, Existing Zoning, Subarea: North Venice • Venice Canals." (My property is the 3rd parcel north east of Main St.)



"The Venice Costal Zone Specific Plan," has been adopted by the City of Los Angeles and regulates the use and zoning of property in Venice. Both the City and the Costal Commission have adopted regulations which prevent change of use of residential property from residential purposes to other uses. My property can be used only for residential purposes.

Because my property is zoned **solely for residential use**, it is conclusively presumed not to benefit from BID improvements and services, and the City Council should find: **(a)** that my property **will not receive special benefits** from the BID, and **(b)** should not be assessed by the Venice BID.

**WHILE MY PROPERTY SHOULD NOT BE ASSESSED AT ALL,
THE ASSESSMENT AMOUNT SET OUT IN THE ENGINEER'S
REPORT IS INCORRECT**

The Engineer's Report p38 shows the assessment on my property to be \$2,150. 52. Using the procedure described in the Engineer Report p 34 to calculate an assessment, the amount should be **\$1,273.84** and not \$2,150. 52

"SAMPLE ASSESSMENT CALCULATION:" Engineer Report p34

Sample 1: Assume a 5,000 SF building on a 15,000 SF lot located in Zone 1 with 100 linear feet of street frontage. The annual assessment would be calculated as follows:

$$\begin{array}{ll} 5,000 \times \$0.08/\text{square foot of building} & = \$400 \\ 15,000 \times \$0.011/\text{square foot of land} & = \$1,650 \\ 100 \times \$29/\text{linear foot of street frontage} & = \$2,900 \\ \text{TOTAL ASSESSMENT} & \\ \$400 + \$1,650 + \$2,900 & = \$4,950 \end{array}$$

Using this method described in the Engineer Report to Calculate an assessment on my property, which is a 100 foot x 30 foot lot with a 923 square foot house:

$$\begin{array}{ll} 923 \text{ square foot building} \times \$0.08 & = \mathbf{\$73.84} \\ 3,000 \text{ square feet of land} \times \$0.11 & = \mathbf{\$330.00} \end{array}$$

(note: the example incorrectly uses \$0.011. Other parts of the Engineer's report show the amount to be \$0.11)

$$30 \text{ linear foot of street frontage} \times \$29 = \mathbf{\$870.00}$$

$$\mathbf{\$73.84 + \$330.00 + \$870 = \$1,273.84}$$

MY PROPERTY WILL RECEIVE NO SPECIAL BENEFITS AND SHOULD NOT BE ASSESSED AT ALL AS PART OF A BID

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. (Engineer Report p2)

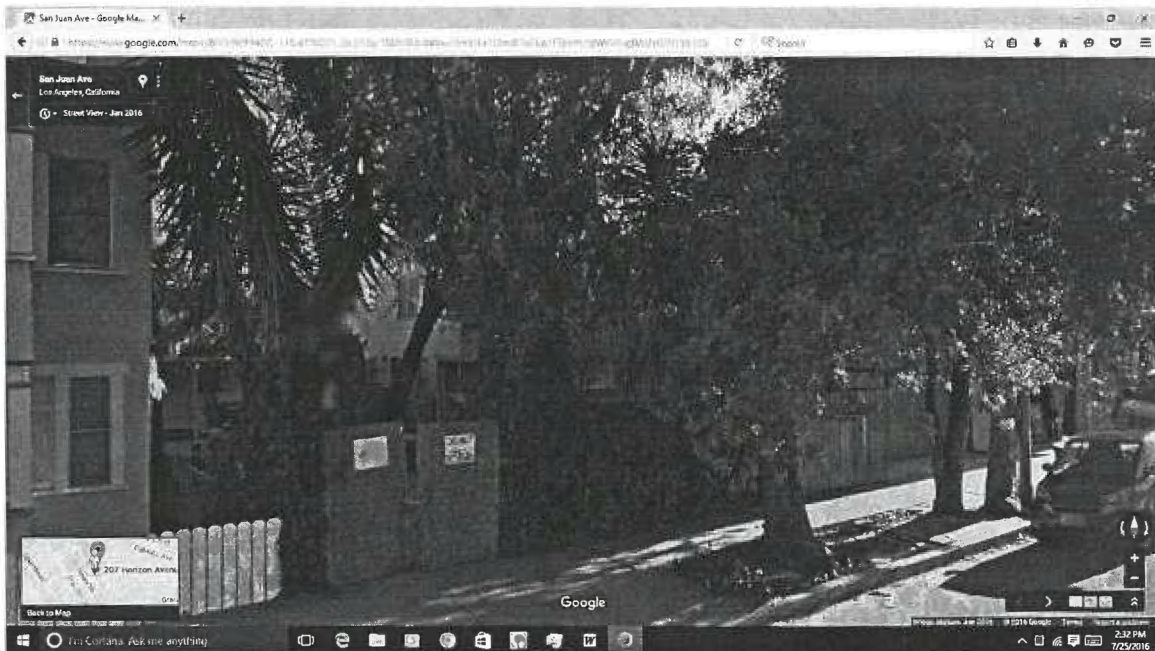
Each identified parcel subject to assessment within the BID district, must be assessed based on property characteristics **unique only to that parcel**. (Engineer Report p24). While residential zoned properties are conclusively presumed not to benefit from service funded through BID, single family residences are presumed not to receive special benefits. Unlike actual commercial businesses which may attract thousands of customers per day, a single family residential dwelling has no hordes of customers arriving daily.

The information used to calculate my assessment was computed from data extracted from County Assessor records and maps and **does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records**. No physical inspection was made of my property to determine its actual use characteristics, nor the uses permitted by the Venice Costal Zone Specific Plan. (Engineer Report p32).

My property has the unique characteristics of a single family residential property and those particular characteristics must be considered in allocating BID services and making any assessment.



My property from the front.



My property from the back

The Engineer Report identifies 3 methods commonly used to assess property in a BID. Of the three methods identified, the

Venice BID used the composite district overlay determinant method as opposed to a parcel by parcel allocation method (Engineer Report p15).

What this means is that property assessments were calculated using only property area and dimensions (Engineer Rpt p 33, 34).

PROPERTY USE was not part of the calculation. All properties along busy Ocean Front Walk were **ASSESSED** without regard to their massive use of BID services as compared to the minimal use by my property.

Assessment in a BID **are supposed to be** distributed among all identified benefiting properties based on the **proportional** amount of special program benefit each property is expected to derive from the assessments levied. (Engineer Report p2)

Properties which use a greater amounts of BID services are supposed to have a greater assessment than properties which require a smaller amount of services. Properties with large numbers of customer will use more BID services than those with fewer customers.

My property should not be assessed. When Its minimal use of BID services is compared proportionally with the enormous utilization of BID services by properties and businesses along Ocean Front Walk, it does not receive special benefits.

As an example:

My property was assessed by the BID for **\$2,150.52** (p39 Engineers Report.)

A similar sized property in the heart of the Boardwalk, 1505 Ocean Front Walk, is assessed for **\$2,069** (Engineer report p38). (The lot size on both properties is 30ft x 100ft.) But as shown below, there are between 6 and 8 shops and probably 10 parking spaces on that particular property. And 16 million **customers** a year pass by. (The whole block as seen in the picture has over 30 businesses and over 40 parking spaces).



My property has no customers. Its proportional distribution of benefits compared to those used by this property would be \$0.00013. $\$2,150.52 \text{ divided by } 16 \text{ million} = \$0.00013.$

The whole point in creating the BID was to provide services "which are intended to attract more customers, users, visitors, employees, tenants and investors." "BID programs, services and improvements are designed to increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments." (Engineer Report p13). For that very reason, the State excluded residential properties from BIDs.

CONCLUSION

My property is the **only** single family residential property in the proposed BID. The residential properties around me are **not** in the BID and are not assessed. My property is presumed not to benefit from services and programs from the BID. My property will not receive proportional special benefits from the BID.

The City Council (a) should exclude my property from the BID, and (b) find my property receives no special benefits and should not be assessed.

A handwritten signature in black ink, appearing to be 'John V. 1', followed by a long horizontal line.