



Attachment 1

Resolution Approving a Mills Act Contract for 707 Walden Drive including, as exhibits:
Mills Act Application, Proposed Mills Act Contract (“Historic Property Preservation Agreement”) and Preservation Plan

RESOLUTION NO. 14-R-_____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS APPROVING A MILLS ACT CONTRACT
FOR THE JOE E. BROWN RESIDENCE LANDMARK
PROPERTY AT 707 WALDEN DRIVE, BEVERLY HILLS.

Section 1. On October 18, 2011, the City Council adopted Resolution No. 11-R-12838 establishing a Pilot Mills Act Program for a two year period, for a maximum of six qualified participating properties and with a capped maximum annual revenue loss to the City of \$50,000. The Pilot Mills Act Program was made available to “qualified historic properties” within the City of Beverly Hills.

Section 2. On March 4, 2014 the City Council adopted Ordinance No. 14-R-12973 approving a three-year extension of the Mills Act Pilot Program through December 31, 2016, with an increased capped maximum annual revenue loss to the City of \$100,000.00. The Pilot Mills Act Program was made available only to “qualified historic properties” within the City of Beverly Hills.

Section 3. A “qualified historic property” for the purposes of the three year extension of the Mills Act Pilot Program is defined as:

- a. A single-family residential property, a multi-family residential property or a commercial property with a tax assessed value not exceeding \$7.5 million dollars, unless exempted from the maximum tax assessed value through exceptional circumstances;
- b. Located entirely within the City of Beverly Hills;

- c. Privately owned;
- d. Not exempt from property taxation; and
- e. Individually listed in the City of Beverly Hills' official landmark register.

Section 4. On May 28, 2014, a Mills Act Contract Application was submitted to the City by William and Jody Fay as Trustees of the Fay Family Trust for the property at 707 Walden Drive, Beverly Hills. In this case the property qualifies for participation in the City's Pilot Mills Act Program. The property is listed as a local Landmark on the City's Register of Historic Properties.

Section 5. On September 30, 2014, the Cultural Heritage Commission considered the Mills Act application for the Joe E. Brown Residence at 707 Walden Drive, Beverly Hills, and voted to recommend to City Council approval of a Mills Act Contract. The Commission based its recommendation on careful consideration of the maintenance plan submitted as part of the Mills Act application for incorporation into the Mills Act contract. The Rehabilitation and Maintenance Plan (the "Plan") provides a list of expenses to be incurred in the maintenance and upkeep of the Joe E. Brown Residence during the initial ten-year contract term. In addition, the application provides an estimate of the property owner's tax savings as well as an estimate of the annual property tax reduction incurred by the City. Since this estimate is based on financial data submitted by the applicant, the City will work with County Assessor to verify all calculations prior to final tax assessments. By executing the contract, the City does not corroborate the applicant's submitted financial statement, but authorizes tax abatement for the property. The current annual property taxes for this property are estimated to be approximately \$63,000.00. Under the Mills Act, the estimated annual property taxes would be reduced during

the contract period. The actual revenue loss per annum to the City is subject to annual review and determined by the City and County Tax Assessor once the contract has been executed and recorded with the County. However, the estimated reduction in property taxes received by the City resulting from this contract is \$8,700.00. The Plan projects a total cost for all rehabilitation and maintenance works scheduled over the ten year contract period to be approximately \$527,700.00.

Section 4. PUBLIC NOTICE. William and Jody Fay as Trustees of the Fay Family Trust were notified in writing that the City Council would consider a Mills Act Contract for the Joe E. Brown Residence at 707 Walden Drive, Beverly Hills, on November 4, 2014. As of the writing of this report, no public comments have been received.

Section 5. ENVIRONMENTAL ANALYSIS. Approval of a Mills Act Contract for the Joe E. Brown Residence at 707 Walden Drive, Beverly Hills was assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. The City Council hereby finds and determines that the inclusion of the Joe E. Brown Residence into the City's Pilot Mills Act Program would not have a significant environmental impact and thus is exempt from CEQA pursuant to Sections 15308 and 15331 of Title 14 of the California Code of Regulations because the inclusion of the Joe E. Brown Residence into the City's Pilot Mills Act Program is an action of the City to protect and preserve an historic resource.

Section 6. GENERAL PLAN CONSISTENCY. Inclusion of the Joe E. Brown Residence into the City's Pilot Mills Act Program is consistent with the objectives,

principles, and standards of the General Plan. General Plan Policy “HP 1.3 – Promote National, State, and Local Designation of Historic Resources” encourages the establishment of programs encouraging the nomination of landmarks, such as the Mills Act Program.

Section 7. The City Council hereby includes the Joe E. Brown Residence into the City’s Pilot Mills Act Program, approves the attached Mills Act Contract, and authorizes the Mayor to execute the Agreement.

Section 8. The record of proceedings for inclusion of the Joe E. Brown Residence into the City’s Pilot Mills Act Program is maintained by the City as part of the official records of the Community Development Department at 455 North Rexford Drive, Beverly Hills, California, 90210.

Section 9. The City Clerk shall certify to the adoption of the Resolution and shall cause the Resolution and this certification to be entered in the Book of Resolutions of the Council of the City. The City Clerk shall also cause the executed contract to be recorded in the office of the County Recorder of the County of Los Angeles.

Section 10. This Resolution shall go into effect on November 5, 2014 at

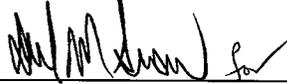
12:01 AM.

LILI BOSSE
Mayor of the City of Beverly Hills,
California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



SUSAN HEALY KEENE
Director of Community Development

- Exhibit A – Mills Act Application
- Exhibit B – Mills Act Contract (including Preservation Plan)

EXHIBIT A



MILLS ACT APPLICATION

PL 408768

GENERAL INFORMATION: (print or type)

Applicant: William & Jody Fay, Trustees of the Fay Family Trust
 Address: 707 Walden Dr.
 City: Beverly Hills State: CA Zip Code: 90210
 Telephone No: 310-991-2212 E-Mail: wfayLA@gmail.com

PROPERTY INFORMATION:

Property Address: 707 Walden Dr. Assessor Parcel No(s): 4345-017-004
 Tract: 11199 Block: 177 Lot(s): 4
 Legal Description: 707 Walden Dr., Beverly Hills, CA 90210
 Use Category: Single-Family Residence: Commercial/Theatre:

PROPERTY OWNER: Same as Applicant (please check this box if the property owner is the applicant)

Property Owner: _____
 Address: _____
 City: _____ State: _____ Zip Code: _____
 Telephone No: _____ E-Mail: _____

APPLICATION TYPE:

New Contract: Nonrenewal: Cancellation:

HISTORIC DESIGNATION CATEGORY: (check only those that apply)

City Landmark: National Register: California Register:
 Designation No.: Pending landmark status Date of Designation: _____
 City Landmark Designation Requested (please check this box if the property has not been designated)

REQUIRED MATERIALS: (must be submitted with this application)

- COMPLETED AND SIGNED APPLICATION FORM
- APPLICATION FEE
- COPY OF GRANT DEED, INCLUDING LEGAL DESCRIPTION
- FINANCIAL ANALYSIS FORM
- PHOTOGRAPHS – CURRENT PHOTOGRAPHS OF STREET VIEW OF THE PROPERTY, EACH EXTERIOR ELEVATION OF PROPERTY AND ALL OTHER IMPROVEMENTS/FEATURES ON PARCEL SAVED ONTO CD. LABEL CD WITH

- STREET ADDRESS, PARCEL NUMBER AND DATE (INTERIOR PHOTOGRAPHS MAY BE REQUIRED)
- REHABILITATION/RESTORATION MAINTENANCE PLAN AND TIME LINE (INCLUDE ALL WORK TO BE COMPLETED WITHIN NEXT 10 YEARS) AND COST ESTIMATE OF ITEMIZED WORK
 - COPY OF MOST RECENT PROPERTY TAX BILL
 - NOTARY OF ACKNOWLEDGEMENT AFFIDAVIT

IMPORTANT: All required materials must be submitted with the application.

I hereby certify that I am the present owner of the subject property described above and that I have reviewed the subject application and apply for consideration for a Mills Act Contract. I further understand that a Mills Act Application does not result in an automatic entitlement and each application is evaluated on its own merits on its historical significance and inclusion in the City's program.

Owner's Signature: *John Jay, trustee* Date: *5-28-14*
John Jay, trustee *5-28-14*

DO NOT WRITE BELOW THIS LINE / TO BE FILLED OUT BY THE DEPARTMENT

Application Status:	Date:	Application Processing:
<input type="checkbox"/> Staff Review	_____	File No. _____
<input type="checkbox"/> Director Review	_____	Date: _____
<input type="checkbox"/> Cultural Heritage Commission	_____	Staff Init: _____
<input type="checkbox"/> City Council	_____	Fees: _____
<input type="checkbox"/> Landmark Designation Approved	_____	Receipt: _____
<input type="checkbox"/> Landmark Designation Denied	_____	Other: _____

Comments

APPLICATION REVIEW PROCESS	
THE 2014 APPLICATION DEADLINE IS MAY 31, 2014	
Pre-Application Meeting	
	Prior to submitting an application, an owner interested in the Mills Act should schedule a pre-application review meeting with City staff. The purpose of the pre-application review meeting is to confirm that the property qualifies for the program and to ensure that the application submittal requirements, and the mandatory terms of the Mills Act Contract are understood. The Pre-Application Meeting includes a site visit to review the conditions on the property.
Application Submittal	
	Mills Act applications are submitted to the Community Development Department. The application requires a "pro forma" regarding the proposed Rehabilitation, Restoration, and Maintenance Plan; drawings; samples; cost estimates; photographs; and any other materials or studies needed. City staff is available to assist with the application process.
Review for Completeness	
	City staff will review the submitted materials and determine if the application is complete. In order to be scheduled for a hearing, applications must be complete and include all attachments and required information, and fees. City staff may schedule a meeting with the applicant to discuss details of the preservation plan and any proposed new construction. Once the application has been determined complete, City staff shall schedule it for review at a noticed public hearing.
Public Hearing	
	The Mills Act Application will be considered during a public hearing and a recommendation will be made to the City Council regarding the preservation plan, any restrictions that should be added to the agreement, and whether the application for a Mills Act contract should be approved or denied. Applications will be docketed for the earliest available meeting or a specific date that is not sooner than the first available meeting if requested by the applicant.
City Council	
	Once per year, the City Council will consider entering into Mills Act Contracts as part of its consent calendar (no public hearing). The City Council may factor the estimated fiscal impact on the City as part of its consideration. The City Council may approve or disapprove a Mills Act contract request.
Contract Execution and Recordation	
	If approved by the City Council, the City will execute the contract and forward it to the County Recorder's office for recordation. The recorded copy will be returned to the City for submission to the County Tax Assessor's office for implementation. The Los Angeles County Assessor is responsible for calculating tax savings. The County Assessor reassesses Mills Act properties once a year.

ESTIMATED PROPERTY TAX ADJUSTMENT WORKSHEET GUIDE

STEP 1: DETERMINE ANNUAL INCOME OF PROPERTY.

DESCRIPTION	CURRENT	EXPLANATION
1. Monthly Rental Income	\$20,000	Even if the property is owner-occupied, an estimated monthly rental income is needed as a basis for this formula. Remember to include all potential sources of income (i.e. filming, advertising, photo-shoots, etc.)
2. Annual Rental Income	\$240,000	Multiply line 1 by 12 months

STEP 2: CALCULATE ANNUAL OPERATING EXPENSES.

3. Insurance	\$3,497	Fire, liability, and other insurance
4. Utilities	\$16,500	Water, gas, electric
5. Maintenance	\$21,000	Maintenance includes: painting, plumbing, electrical, gardening, cleaning, mechanical, heating repairs, structural repairs, and other repairs
6. Management	\$12,000	Standard fee (usually 5% of rent)
7. Other Operating Expenses	\$900	Security, etc. Provide breakdown on separate sheet
8. Total Expenses	\$53,897	Add lines 3 through 7

STEP 3: DETERMINE ANNUAL NET INCOME.

9. Net Total	\$186,103	Line 2 minus line 8
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STEP 4: DETERMINE CAPITALIZATION RATE.

10. Interest Component	5%	As determined by the State Board of Equalization for 2012.
11. Historic Property Risk Component	4%	Single-family home = 4% All other property = 2%
12. Property Tax Component	1%	.01 times the assessment ratio of 100%
13. Amortization Component (reciprocal of life of property)	5%	If the life of the improvement is 20 years, use $100\% \times 1/20 = 5\%$. Wood-frame typically 20 years, masonry typically 50 years
14. Total = Capitalization Rate	15%	Add lines 10 through 13

STEP 5: CALCULATE NEW ASSESSED VALUE.

15. Mills Act Assessed Value	\$1,240,687	Line 9 divided by line 14 Example: line 9 divided by .15 (15%)
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STEP 6: DETERMINE ESTIMATED TAX REDUCTION.

16. Current Tax	\$55,600	General tax levy only, do not include voted indebtedness or other direct assessments
17. Tax under Mills Act	\$12,406	Line 15 multiplied by .01
18. Estimated Tax Reduction	\$43,194	Line 16 minus 17

Page 4 Worksheet

7. Other Operating Expenses

Security	\$420/yr
Pest spraying	\$480/yr
Total:	\$900/yr

ESTIMATED PROPERTY TAX ADJUSTMENT WORKSHEET GUIDE

EXAMPLE

The following is an example showing the possible tax benefit to the historic property owner of an owner-occupied single-family dwelling. *THIS IS ONLY AN EXAMPLE.* Your reduced property tax under a Mills Act contract is not guaranteed to match this calculation.

EXAMPLE: Single-family Dwelling
 Current Assessed Value (GENERAL LEVY TAXES ONLY^S) = \$100,000
 Estimated Monthly Rent = \$800

DETERMINE ANNUAL INCOME AND ANNUAL OPERATING EXPENSES**

\$800 per month income minus approximately \$100 per month expenses for maintenance, repairs, insurance, utilities, and gardener equals a net income of \$700 per month. Multiply by 12 months for an annual net income of \$8,400 (mortgage payments and property taxes are not considered expenses).

DETERMINE CAPITALIZATION RATE

Add the following to determine the Capitalization Rate:

- The Interest Component is determined by the Federal Housing Finance Board and is based on conventional mortgages. While this component will vary from year to year, the State Board of Equalization has set this at 5% for 2011.
- The Historical Property Risk Component of 4% (as prescribed in Sec. 439.2 of the State Revenue and Tax Code) applies to owner-occupied single-family dwellings. A 2% risk component applies to all other properties.
- The Property Tax Component (post-Prop 13) of .01 times the assessment ratio of 100% (1%).
- The Amortization Component is a percentage equal to the reciprocal of the remaining life of the structure and is set at the discretion of the County Assessor for each individual property. *IN THIS EXAMPLE THE REMAINING LIFE OF A WOOD FRAME BUILDING IS TYPICALLY 20 YEARS.* The amortization component is calculated thus: $100\% \times 1/20 = 5\%$. Use 5% for this calculation.

Now add the following:

$5\% + 4.0\% + 1.0\% + 5\% = 15\%$ Capitalization Rate (single-family dwelling).

§ The Mills Act applies ONLY to general levy property taxes. Be sure to DEDUCT the portions of your tax bill that include sewer assessment, bond issues, etc. when calculating what portion of your property tax will be reduced by the Mills Act.

*** Single-family applicants may find that a property manager or realtor may be able to assist with setting a monthly rental figure.*

ESTIMATED PROPERTY TAX ADJUSTMENT WORKSHEET GUIDE

SHEET THREE OF THREE

CALCULATE NEW ASSESSED VALUE AND ESTIMATED TAX REDUCTION

The new assessed value is determined by dividing the annual net income (\$8,400) by the capitalization rate .15 (15%), to arrive at the new assessed value of \$56,000.

Lastly, determine the amount of taxes to be paid by taking .01 (1%) of the assessed value \$56,000. Compare with current property tax rate for land and improvements only (be sure to exclude voter indebtedness, direct assessments, tax rate areas, and special district items on your tax bill):

- Current general levy property tax; 1% of original assessed valuation of \$100,000 ($\$100,000 \times .01 = \$1,000$);
- Mills Act property tax: 1% of new assessed value of \$56,000 is \$560.

Annual property taxes have been reduced by \$440 ($\$1,000 - \560), a 44% property tax reduction.

FINANCIAL ANALYSIS FORM

CURRENT YEAR TO YEAR THREE (SHEET ONE OF THREE)

INCOME	CURRENT	ONE	TWO	THREE
1. Monthly Rental Income	\$20000	\$20000	\$20600	\$21218
2. Annual Rental Income	\$240000	\$240000	\$247200	\$254616

ANNUAL OPERATING EXPENSES

3. Insurance	\$3497	\$3602	\$3710	\$3821
4. Utilities	\$16500	\$16995	\$17505	\$18030
5. Maintenance	\$21000	\$21630	\$22279	\$22947
6. Management	\$12000	\$12360	\$12731	\$13113
7. Other Operating Expenses	\$900	\$927	\$955	\$983
8. Total Expenses	\$53897	\$55514	\$57180	\$58894

ANNUAL NET INCOME

9. Net Total	\$186103	\$184486	\$190020	\$195722
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CAPITALIZATION RATE

10. Interest Component	5%	5%	5%	5%
11. Historic Property Risk Component	4%	4%	4%	4%
12. Property Tax Component	1%	1%	1%	1%
13. Amortization Component	5%	5%	5%	5%
14. Total = Capitalization Rate	15%	15%	15%	15%

NEW ASSESSED VALUE

15. Mills Act Assessed Value	\$1240687	\$1229907	\$1266800	\$1304813
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ESTIMATED TAX REDUCTION

16. Current Tax	\$55994	\$57674	\$59404	\$61186
17. Tax under Mills Act	\$12407	\$12299	\$12668	\$13048
18. Estimated Tax Reduction	\$43587	\$45374	\$46736	\$48138

FINANCIAL ANALYSIS FORM

YEAR FOUR TO YEAR SEVEN (SHEET TWO OF THREE)

INCOME	FOUR	FIVE	SIX	SEVEN
1. Monthly Rental Income	\$21855	\$22510	\$23185	\$23881
2. Annual Rental Income	\$262260	\$270120	\$278220	\$286572

ANNUAL OPERATING EXPENSES

3. Insurance	\$3936	\$4054	\$4175	\$4301
4. Utilities	\$18571	\$19129	\$19702	\$20293
5. Maintenance	\$23636	\$24335	\$25075	\$25827
6. Management	\$13506	\$13911	\$14329	\$14758
7. Other Operating Expenses	\$1013	\$1043	\$1075	\$1107
8. Total Expenses	\$60662	\$62472	\$64356	\$66286

ANNUAL NET INCOME

9. Net Total	\$201598	\$207648	\$213864	\$220286
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CAPITALIZATION RATE

10. Interest Component	5%	5%	5%	5%
11. Historic Property Risk Component	4%	4%	4%	4%
12. Property Tax Component	1%	1%	1%	1%
13. Amortization Component	5%	5%	5%	5%
14. Total = Capitalization Rate	15%	15%	15%	15%

NEW ASSESSED VALUE

15. Mills Act Assessed Value	\$1343987	\$1384320	\$1425760	\$1468573
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ESTIMATED TAX REDUCTION

16. Current Tax	\$63022	\$64912	\$66860	\$68866
17. Tax under Mills Act	\$13440	\$13843	\$14258	\$14686
18. Estimated Tax Reduction	\$49582	\$51069	\$52602	\$54180

FINANCIAL ANALYSIS FORM

YEAR EIGHT TO YEAR TEN (SHEET THREE OF THREE)

INCOME	EIGHT	NINE	TEN
1. Monthly Rental Income	\$24597	\$25335	\$26095
2. Annual Rental Income	\$295164	\$304020	\$313140

ANNUAL OPERATING EXPENSES

3. Insurance	\$4430	\$4563	\$4700
4. Utilities	\$20902	\$21529	\$22175
5. Maintenance	\$26602	\$27400	\$28222
6. Management	\$15201	\$15657	\$16127
7. Other Operating Expenses	\$1140	\$1174	\$1210
8. Total Expenses	\$68275	\$70323	\$72434

ANNUAL NET INCOME

9. Net Total	\$226889	\$233697	\$240706
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CAPITALIZATION RATE

10. Interest Component	5%	5%	5%
11. Historic Property Risk Component	4%	4%	4%
12. Property Tax Component	1%	1%	1%
13. Amortization Component	5%	5%	5%
14. Total = Capitalization Rate	15%	15%	15%

NEW ASSESSED VALUE

15. Mills Act Assessed Value	\$1512593	\$1557980	\$1604707
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ESTIMATED TAX REDUCTION

16. Current Tax	\$70932	\$73059	\$75251
17. Tax under Mills Act	\$15126	\$15580	\$16047
18. Estimated Tax Reduction	\$55806	\$57479	\$59204

REHABILITATION/MAINTENANCE PLAN AND TIMELINE (attach additional sheets if necessary)

Please use this form to outline your rehabilitation, restoration, and maintenance plan and timeline. Include all proposed exterior and interior work (including electrical, plumbing, etc.) to be completed within the next ten years. See the following page for list of potential projects. Use additional sheets if necessary to discuss proposed preservation plan.

	Contract Year	Building Feature	Proposed Work/Task	Est. Cost
1.			*** SEE ATTACHED ADDITIONAL SHEETS	
2.				\$
3.				\$
4.				\$
5.				\$
6.				\$
7.				\$
8.				\$
9.				\$
10.				\$
TOTAL COST:				\$527,700

Besides the above information, the Rehabilitation/Maintenance Plan must include the following:

- For all work completed during the first ten years of contract, cost estimates must be provided. (cost estimates are subject to verification by City staff).
- Fully labeled photographs of the front of the main building and its relationship to the public right-of-way (street, parkway, sidewalk, etc.); each elevation of all buildings on the property; the interior of any room where any work is proposed; structural and architectural details of any building proposed to be restored, rehabilitated or preserved; and any portions of the property where landscaping or paving work is proposed.
- Plans, drawings, material samples, brochures, etc. as needed to depict the location and characteristics of all proposed work.
- Additional information may be required during the review process for clarification.

LIST OF POTENTIAL PROJECTS	
BUILDING FEATURE	PROPOSED WORK/TASK
Access Modifications	Exterior
Access Modifications	Interior
Accessory Structure	Repair or Replace
Air Conditioning	Install or remove
Appliance Vent	Specify type, material, location
Architectural	Removal non-historic feature and restore to original
Architectural Trim	Repair
Architectural Trim	Replace
Architectural Trim	Install New
Balcony/Decks	New railings
Balcony/Decks	Repair or replace
Basement	Access, repair or replace to code
Basement	New or rebuild
Cabinets	New built-in bathroom
Cabinets	New built-in kitchen
Cabinets	New built-in other
Chimney	Inspect and clean
Chimney	New
Chimney	Repair, remove, relocate
Code Repair Item	Specify item
Column	Repair or replace
Corbels/Brackets	Repair or replace
Deck	Repair, replace or install
Door	Repair or replace screen door
Door	Repair or replace front door
Door	Repair or replace hardware
Door	Repair or replace basement hatch cover and base
Door	Repair or replace other door (specify)
Drainage	Protection or correction
Driveway	Repair, replace, remove
Dry Rot, Mold	Remove, repair feature, replace (specify)
Electrical	Rewire or install new outlets
Electrical	Complete rewire and service upgrade
Electrical	Ground and service entry
Electrical	Install new circuits
Electrical	Lighting fixtures
Electrical	New service lines to garage or secondary structure, etc.

LIST OF POTENTIAL PROJECTS	
BUILDING FEATURE	PROPOSED WORK/TASK
Electrical	Security lighting and alarm system
Electrical	Relocate meter (specify locations)
Fence	Repair, replace, install gate
Fence	Repair
Fence	New (specify location, materials, style, etc.)
Floor Furnace	Repair, restore or remove
Flooring	Carpet repair, install or remove
Flooring	Wood repair, install, or remove
Flooring	Tile repair, install, or remove
Flooring	Concrete repair, install or remove
Flooring	Other material repair, install or remove
Foundation	Bolting and seismic work
Foundation	Repair or rebuild
Fumigation	Extermination
Gable and Attic	Vent repair, re-screening, etc.
Garage	Repair, remove, replace, expand
Garage Door	Repair, remove, replace
Gas Service	Repair, remove, replace, install
Gutters and Drains	Repair, replace, remove,
HVAC	Repair, replace, remove, install; general maintenance
Insulation	Wall, blown-in
Insulation	Attic
Insulation	Floor
Interior Trim	Repair, refinish, replace
Kitchen	Repair, remove, install counters
Masonry	New
Masonry	Repair or replace tile hearth
Masonry	Repair and/or repoint
Masonry	Repoint brick
Mechanical	Air conditioning, repair, remove, install
Mechanical	Ventilation, new kitchen/bath fan and duct work
Mechanical	Vent and/or duct work
Painting or Staining	Exterior
Painting or Staining	Interior
Painting or Staining	Removal of lead based paint (exterior or interior)
Painting or Staining	Exterior or interior trim
Painting or Staining	Porch deck or patio deck, etc.
Patio, Porch	Repair, replacement, removal, install

LIST OF POTENTIAL PROJECTS

BUILDING FEATURE	PROPOSED WORK/TASK
Plastering	Exterior: removal, refinish, repair, replacement or patching
Plastering	Interior: removal, refinish, repair, replacement or patching
Plumbing	Drain, waste, and vent repair, replacement, install
Plumbing	Fixtures (specify)
Plumbing	Repair, remove, install sump pump and discharge drain
Plumbing	Repair, remove, install supply lines
Plumbing	Minor repairs
Plumbing	Sewer
Porch	Ceiling repair, replacement
Porch	Repair, rebuild, replace
Porch	Brick repoint
Porch Railing	Repair or replace to code
Porch	Resurface
Porch Steps	Repair, rebuild, replace, add
Railing	Repair, remove, replace, install
Roof	Repair or replace eaves, fascia and/or overhangs
Roof	Strip and install new layer of roofing material
Roof	Re-roof (specific material)
Roof	Minor repair (specify)
Roof	Major repair (specify)
Security	Lighting and alarm
Security	Gates, fencing, bars, etc.
Seismic Work	Seismic upgrade (specify)
Siding (wood lap)	Repair, patch, replace
Siding	Removal asbestos siding and restore original wood lap
Siding (wood shingle)	Repair, patch, replace
Skylights	Remove, replace, install
Stair (exterior)	Repair, replace, remove, install, relocate
Stair (interior)	Repair, replace, remove, install, relocate
Stonework	Repair, replace, remove, install
Stoop	Repair, replace
Structural	Stabilize, repair, replace framing
Structural	Modifications
Structural	Roof and ceiling joist repair, replacement
Termite	Treatment and repair
Utilities	Enclosure(s)
Waterproofing	Exterior
Window	Frame repair or replacement
Window	Screen, glazing, hardware repair or replacement

Proposed work may be interior and/or exterior, but must equal at least 80% of your tax savings. All projects that affect the exterior of the property are subject to Architectural Commission /Staff review and approval before work begins. Work must meet all City requirements and comply with the *Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings* or the *Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (1995, by Weeks and Grimmer).

STANDARDS for REHABILITATION	
1.	A property will be used as it was historically use or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships provided the new use is consistent with the Beverly Hills Municipal Code.
2.	The historic character of a property will be retained and preserved. The removal of distinctive material or alteration of features, spaces, and spatial relationships that characterize a property must be avoided.
3.	Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other properties, should not be undertaken.
4.	Changes to a property that have acquired historic significance (are Character-Defining Features) in their own right must be retained and preserved.
5.	Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property should be preserved.
6.	Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive historic feature, the new feature will match the old in design, color, texture, and where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7.	Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8.	Archeological resources should be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9.	New additions, exterior alterations, or related new construction should not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10.	New additions and adjacent or related new construction should be in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

PERIODIC INSPECTIONS

Periodic inspections are conducted by City staff to monitor properties for compliance to the terms of the contract. Inspections monitor the progress of the preservation plan specified in the contract. Inspections are ongoing for the life of the contract. Property owners are encouraged to self-inspect and update the City on their progress of the preservation plan.

NOTARY OF ACKNOWLEDGEMENT AFFADAVIT

The notarized signature of the majority representative owner or owners, as established by deed or contract, of the subject property or properties for the filing of this application. (Additional sheets may be attached)

State of California

County of Los Angeles

On May 28, 2014 before me, Scott Bettencourt, NOTARY PUBLIC
(DATE) (HERE INSERT NAME OF THE OFFICER)

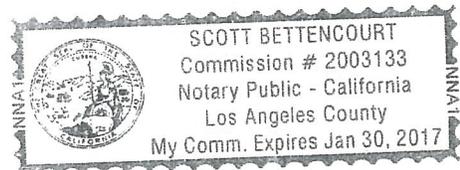
personally appeared William Fay + Jody Fay,
NAME(S) OF SIGNER(S)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
(SIGNATURE)



DESCRIPTION OF ATTACHED DOCUMENT

Title of type of Document: **MILLS ACT CONTRACT**

Document Date: May 28, 2014

Number of Pages 15

Signer(s) Other Than Named Above: _____

CITIES, COUNTY, SCHOOLS AND ALL OTHER TAXING AGENCIES IN LOS ANGELES COUNTY
SUPPLEMENTAL SECURED PROPERTY TAX FOR FISCAL YEAR JULY 1, 2013 TO JUNE 30, 2014

MARK J. SALADINO, TREASURER AND TAX COLLECTOR
 FOR ASSISTANCE CALL 1(213) 974-2111 OR 1(888) 807-2111, ON THE WEB AT lacountypropertytax.com

PROPERTY IDENTIFICATION

ASSESSOR'S ID. NO.: 4345 017 004 13 010
 TRANSFER/NEW CONSTRUCTION DATE: 03-29-13

MAILING ADDRESS

FAY, WILLIAM CO TR
 FAY FAMILY TRUST
 707 WALDEN DR
 BEVERLY HILLS CA 90210-3110

ELECTRONIC FUND TRANSFER (EFT) NUMBER

ID#: 19 4345 017 004 5 YEAR: 13 SEQUENCE: 010 4
 PIN: LHEEBX

For American Express, Mastercard and Visa payments call 1(888) 473-0835
 and have available the EFT number listed above. Service fees will be charged.

SPECIAL INFORMATION

FOR THE FOLLOWING REASON: THIS SUPPLEMENTAL ASSESSMENT IS IN COMPLIANCE WITH ARTICLE 13A OF THE CALIFORNIA CONSTITUTION. IT REFLECTS THE INCREASE IN YOUR PROPERTY TAXES DUE TO CHANGE IN OWNERSHIP OCCURRING 03-29-13. CHANGE TO A SUPPLEMENTAL BILL

DETAIL OF TAXES DUE FOR		ASSESSOR'S ID. NO.	CK
1 ST INSTALLMENT DUE	02/28/14	4345 017 004 13 010	64
2 ND INSTALLMENT DUE	06/30/14		TOTAL TAX

TAX	\$28,521.52	\$28,442.99	\$56,964.51
PEN	.00	.00	.00
TOTAL	28,521.52	28,442.99	56,964.51
NET PAID DUE	28,521.52	.00	28,521.52
	.00	28,442.99	28,442.99

AGENCY	RATE	AMOUNT
GENERAL TAX LEVY		
ALL AGENCIES		\$ 50,781.78

VOTED INDEBTEDNESS		
CITY-BEV HILLS	.017509	\$ 889.14
UNIFIED SCHOOLS	.051992	2,640.25
COMMUNITY COLLEGE	.048750	2,475.61
METRO WATER DIST	.003500	177.73

*Paid online
 4-27-14
 Supplemental Only*

PROPERTY LOCATION AND/OR PROPERTY DESCRIPTION

707 WALDEN DR BEVERLY HI
 BEVERLY HILLS LOT 4 BLK 177

FULL YEAR TAXES	\$56,964.51
PRORATION EFFECTIVE DATE - SEE REVERSE SIDE 04-01-13	1.00
TOTAL PRORATED TAXES DUE	\$56,964.51

ATTENTION: OTHER TAXES HAVE BEEN LEVIED ON THIS PROPERTY FOR THE 2013-2014 FISCAL YEAR AND ARE UNPAID. PLEASE CONTACT THE TAX COLLECTOR'S OFFICE FOR A SUBSTITUTE BILL SHOWING THE OUTSTANDING AMOUNT(S) AND DUE DATE(S).

ROLL YEAR 13-14
 LAND
 IMPROVEMENTS

VALUATION INFORMATION		
CURRENT ASSESSED VALUE	PRIOR ASSESSED VALUE	NET ASSESSED VALUE
4,448,000	314,562	4,133,438
1,112,000	160,260	951,740

ASSESSOR'S REGIONAL OFFICE

REGION #07 INDEX: TRA:02410
 WEST DISTRICT OFFICE
 6120 BRISTOL PARKWAY
 CULVER CITY CA 90230
 (310)665-5300

TOTAL	5,085,178
LESS EXEMPTION: HOME	7,000

PRINT NO.: 43 AUTH. NO.: 000001 HA
 MAILED BY: 01-23-14

NET SUPPLEMENTAL VALUE	5,078,178
------------------------	-----------

ANY RETURNED PAYMENT MAY BE SUBJECT TO A FEE UP TO \$50.00.

TACH AND MAIL THIS STUB WITH YOUR 2ND INSTALLMENT PAYMENT
 NOT INCLUDE NOTES WITH YOUR PAYMENT
 NOT STAPLE, TAPE OR CLIP PAYMENT STUB OR CHECK

ADJUSTED SUPPLEMENTAL 2013

ASSR CHANGE SUP 000001 HA

ASSESSOR'S ID. NO.	CK	PK
4345 017 004 13 010	64	2

FAY, WILLIAM CO TR
 707 WALDEN DR
 BEVERLY HILLS CA 90210-3110

2ND INSTALLMENT DUE INDICATE AMOUNT PAID

PAYMENT DUE 06/30/14 → \$28,442.99

IF NOT RECEIVED OR POSTMARKED BY 06/30/14

REMIT AMOUNT OF \$31,297.28 06/30/14

MAKE PAYMENT PAYABLE TO:
 Please write the ASSESSOR'S ID. NO.
 on the lower left corner of your payment.

LOS ANGELES COUNTY TAX COLLECTOR
 P.O. BOX 54018
 LOS ANGELES, CA 90054-0018

24651

14213010443450170040002844299000312972865120630

2ND

This page is part of your document - DO NOT DISCARD



20130470114



Pages:
0004

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

03/29/13 AT 08:00AM

FEES:	25.00
TAXES:	NFPR
OTHER:	0.00
PAID:	NFPR



LEADSHEET



201303290300008

00007469981



004752140

SEQ:
04

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

T15

RECORDING REQUESTED BY:
Equity Title Company

AND WHEN RECORDED MAIL TO:

William & Jody Fay
707 N. Walden
Beverly Hills, CA 90210



THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: LA1273710

Escrow No.: 340136-MR

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S) ⁽¹⁰⁾
DOCUMENTARY TRANSFER TAX is NOT A PUBLIC RECORD

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale.
- Unincorporated area City of Beverly Hills **AND**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Jan Greenberg Levine and Richard Greenberg, Successor Trustees of the Marcie Greenberg Trust Dated December 13, 2002

hereby GRANT(s) to:

**William Fay and Jody Beth Fay, Trustees of the Fay Family Trust
Dated October 8, 1998**

the real property in the County of Los Angeles, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 707 N. Walden, Beverly Hills, CA 90210
AP#: 4345-017-004

4345-017-004

DATED February 19, 2013
STATE OF CALIFORNIA
COUNTY OF Los Angeles
On MARCH 01 2013
before me, RANDOLPH EDELMAN
A Notary Public in and for said State, personally appeared
JAN GREENBERG LEVINE, RICHARD GREENBERG

The Marcie Greenberg Trust Dated December 13, 2002

BY Jan Greenberg Levine, TTE
Jan Greenberg Levine, Successor Trustee

Richard Greenberg, TTE
Richard Greenberg, Successor Trustee

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.



Signature Randolph Edelman

(Seal)

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE:

ACKNOWLEDGMENT

State of California
County of LOS ANGELES

On MARCH 1 2013 before me, RANDOLPH EDELMAN, NOTARY PUBLIC
(insert name and title of the officer)

personally appeared JAY CREYBEN LEUNG, RICHARD CREYBEN
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature Randolph Edelman (Seal)

OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

GRANT DEED

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 1 Document Date 03-01-2013

(Additional information)

EXHIBIT "A"

LOT 4 IN BLOCK 177 OF BEVERLY HILLS, IN THE CITY OF BEVERLY HILLS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 72 PAGES 14 TO 19 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

*****END OF LEGAL DESCRIPTION*****

REHABILITATION/MAINTENANCE PLAN AND TIMELINE

	Contract Year	Building Feature	Proposed Work/Task	Est. Cost
1.	2015	Balconies	Re-furbish four balconies; replace tile, replace rotted wood, re-paint	\$24000
2.	2015	Courtyard staircase	Repair rotted wood, replace tile,	\$7500
3.	2015	Exterior stairs to kitchen	Repair stairs, replace iron stairway rail	\$2800
4.	2015	Frt Courtyard	Repair/replace grillework, shutters	\$8500
5.	2015	Birds-eye maple dressing room	Re-furbish, replace damaged wood	\$4800
6.	2015	Basement	Repair, install access doors, re-paint	\$4600
7.	2015	Chimney	Repair 3 chimneys	\$18000
8.	2015	Corbels	Repair/replace broken/rotted corbels	\$6500
9.	2015	Courtyard doors	Repair/re-furbish/refinish	\$2800
10.	2015	Drainage	Install drainage on side of house	\$4500

	Contract Year	Building Feature	Proposed Work/Task	Est. Cost
11.	2015	Electrical	Wire and install additional alarm screens	\$1500
12.	2015	Fence	Replace fencing on side of property	\$15500
13.	2016	Flooring	Repair and re-finish wood floors	\$10600
14.	2016	Flooring	Repair tile flooring	\$9500
15.	2016	Foundation	Seismic bolting and upgrades	\$14400
16.	2015	Fumigation	Extermination	\$3000
17.	2015	Attic	Shore up and support	\$7600
18.	2020	Garage Door	Repair 4 garage doors	\$5000
19.	2019	Garage	Re-paint and re-plaster	\$7500
20.	2015	Gutters	Add gutters and drains to side	\$3800

	Contract Year	Building Feature	Proposed Work/Task	Est. Cost
21.	2015	HVAC	Add dampers, service	\$3500
22.	2018	HVAC	General Maintenance	\$600
23.	2021	HVAC	General maintenance	\$700
24.	2015	Insulation	Attic: New insulation for all uninsulated areas	\$3800
25.	2015	Insulation	Under-floor: new insulation for all uninsulated areas	\$3000
26.	2015	Insulation	Wall: blow in insulation in uninsulated areas; repair walls	\$6400
27.	2015	Interior trim	Re-finish ceiling and trim in Front Parlor	\$9800
28.	2015	Masonry	Install tile hearth floor	\$2600
29.	2015	Masonry	Repair all brickwork	\$4000
30.	2015	Painting	Re-paint partial Exterior	\$12000

	Contract Year	Building Feature	Proposed Work/Task	Est. Cost
31.	2021	Painting	Re-paint exterior	\$40000
32.	2015	Painting	Re-paint interior	\$18000
33.	2022	Painting	Re-paint interior	\$27000
34.	2015	Plastering	Exterior repair	\$7000
35.	2015	Plastering	Interior repair	\$18000
36.	2022	Plastering	Exterior repair	\$10000
37.	2022	Plastering	Interior repair	\$9000
38.	2015	Plumbing	Install new sinks	\$7500
39.	2015	Plumbing	Re-furbish drain lines	\$18000
40.	2019	Railing	Replace back railings	\$11500

	Contract Year	Building Feature	Proposed Work/Task	Est. Cost
41.	2015	Roof	Repair eaves/overhangs	\$12000
42.	2018	Roof	Repair (minor)	\$8500
43.	2023	Roof	Repair (major)	\$33000
44.	2015	Security	Install security lights, cameras	\$6800
45.	2017	Stair (interior)	Re-furbish front staircase	\$9500
46.	2021	Stair (interior)	Re-furbish back staircase	\$6600
47.	2017	Stonework	Replace broken/worn courtyard flagstone	\$23000
48.	2017	Stonework	Replace broken/worn front flagstone	\$8500
49.	2015	Termite	Treatment and repair	\$4800
50.	2021	Termite	Treatment and repair	\$5800

	Contract Year	Building Feature	Proposed Work/Task	Est. Cost
51.	2015	Waterproofing	Waterproof exterior perimeter	\$4800
52.	2015	Window	Repair/refurbish windows	\$13500
53.	2022	Window	Repair/re-furbish windows	\$10500
54.	2015	Front Fountain	Repair/refurbish, install new pump system	\$6600
55.				\$
56.				\$
57.				\$
58.				\$
59.				\$
60.				\$
TOTAL COST:				\$527,700