

**SPECIAL REORGANIZATION OF HOLLYWOOD  
EXECUTIVE OFFICER'S SUPPLEMENTAL REPORT**

TO THE

LOCAL AGENCY FORMATION COMMISSION  
FOR LOS ANGELES COUNTY

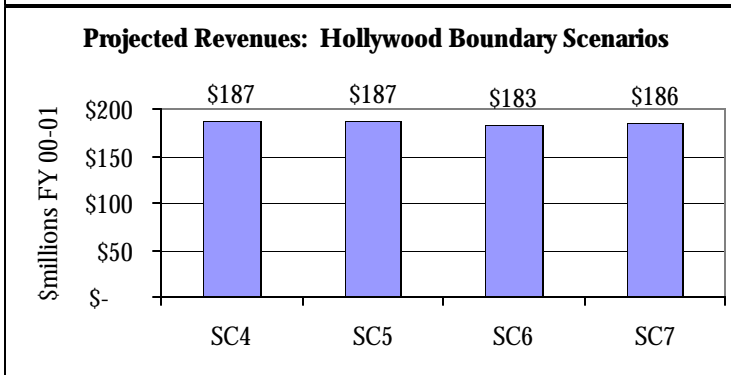
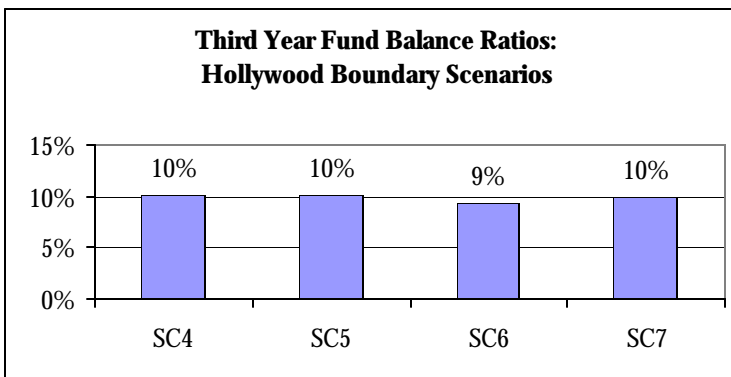
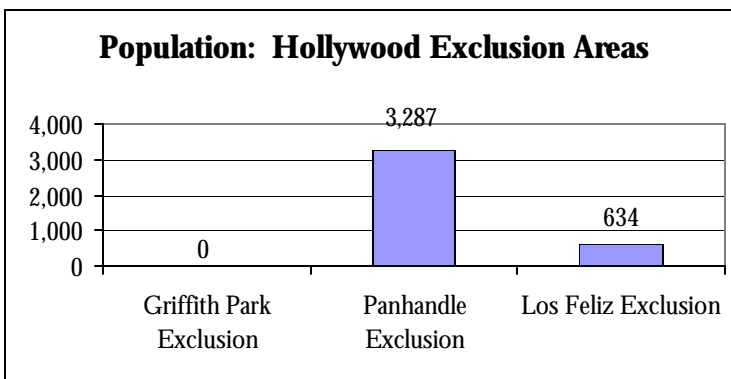
May 31, 2002

Larry J. Calemine  
Executive Officer  
Local Agency Formation Commission  
For Los Angeles County  
700 North Central Avenue, Suite 350  
Glendale, California 91203  
(818) 254-2454

On May 29, 2002, the Executive Officer presented his findings and recommendations on Hollywood special reorganization. The fiscal findings and draft resolution prepared by the Executive Officer were based on the boundary scenario recommended by the Executive Officer. This report has been prepared in response to the Commission's May 29, 2002 request for the fiscal effects of Hollywood special reorganization under alternative boundary scenarios.

The following Hollywood boundary scenarios are presented in this Report:

- 1) SC4 is the boundary scenario that was recommended by the Executive Officer. This boundary scenario excludes from the Applicant's originally proposed boundary the area south of Melrose Avenue, western Cahuenga Pass, two Universal Studios parcels, Mount Sinai and Forest Lawn Memorial Parks, the Fern Dell access road to Griffith Park, and the southwestern "panhandle" area west of Fairfax Avenue.
- 2) SC5 differs from SC4 in that it excludes the portion of Griffith Park that is near the Hollywood Sign.
- 3) SC6 differs from SC4 in that it excludes the southwestern "panhandle" area west of La Brea Avenue.
- 4) SC7 differs from SC4 in that it excludes the Los Feliz neighborhood area that is west of Western Avenue and north of Franklin Avenue.



Under all Hollywood boundary scenarios presented, the new city would achieve a fund balance ratio within the range recommended by the Government Finance Officers Association as reasonable reserves.

The Griffith Park area and Los Feliz neighborhood exclusions have inconsequential fiscal effects on the new city's projected revenues and fiscal mitigation payment. However, if the "panhandle" area between Fairfax Avenue and La Brea Avenue were excluded, that would reduce the new city's revenues by approximately \$4 million and would reduce the mitigation payment by approximately \$1 million.

The Executive Officer recommends against exclusion of the "panhandle" area between Fairfax and La Brea Avenues because of this fiscal effect. The Executive Officer does not have similar concerns with respect to whether or not the Griffith Park area or Los Feliz neighborhood should be included in the boundaries of the Hollywood special reorganization area.