

**BOARD OF DIRECTORS OF THE BROAD BEACH
GEOLOGIC HAZARD ABATEMENT DISTRICT**

Adopted this Resolution on July 12, 2020 by the following vote:

AYES: *Karno, Grossman, Needleman, Marine, Zuber*

NOES: */*

ABSENT: */*

ABSTAIN: */*

RESOLUTION NO. 2020/03

**RESOLUTION AUTHORIZING THE FISCAL YEAR 2020-21 CPI ADJUSTMENT
OF THE ASSESSMENT FOR THE BROAD BEACH GEOLOGIC HAZARD
ABATEMENT DISTRICT**

WHEREAS, the Broad Beach Geologic Hazard Abatement District's ("BBGHAD") 2015 Assessment was adopted on September 6, 2015 and enacted through Resolution No. 2015/05;

WHEREAS, the BBGHAD's 2017 Assessment was adopted on November 12, 2017 pursuant to Resolution No. 2017/09, which authorizes an assessment level commensurate with implementation of the Broad Beach Restoration Project ("Project"), as described in the Engineer's Report dated June 22, 2017 and the Addendum to Engineer's Report dated November 8, 2017.

WHEREAS, Section 8 of Resolution No. 2017/09 also limits the levy on the 2017 Assessment ("2017 Levy Limitation") in the following manner:

"In addition to the amounts currently collected pursuant to the 2015 Assessment for each and every BBGHAD parcel, BBGHAD staff is directed to forebear from collecting all but 10% of the increase between the 2017 Assessment and the 2015 Assessment."

WHEREAS, four (4) BBGHAD property owners subsequently filed suit challenging the 2017 Assessment, Mark Magidson, Trustee of the Magidson Revocable Trust of 1987 (2006 Restatement), and Malibu-Broad Beach S-1, LLC a California Limited Liability Company through its Manager Mark Magidson; Alexander Haagen III, as Managing Member of 30956 BB, LLC and BB Malibu Place LLC; Mike Schwab; Cheryl Schwab; Andrew Leigh; Barbara Leigh v. Broad Beach Geologic Hazard Abatement District; Board of Directors of the Broad Beach Geologic Hazard Abatement District, Los Angeles County Superior Court Case No. BS170769 (Beckloff) ("Reef Group Action"), and the BBGHAD subsequently filed litigation seeking the Court's validation of the 2017 Assessment, Broad Beach Geologic

Hazard Abatement District v. All Persons Interested in the Validity of Resolution No. 2017/09 of the BBGHAD Board, LASC Case No. BC 684646 (Beckloff)("Validation Action"). The Court consolidated the Reef Group Action and the Validation Action for trial purposes;

WHEREAS, on or about September 17, 2019, the trial Court issued its Order Granting Writ Claim and Order Denying Validation ("Order") granting certain of the relief requested by the property owners in the Reef Group Action and denying the Validation Action;

WHEREAS, on or about January 22, 2020, the trial Court supplemented its writing in connection with the Reef Group Action and the Validation Action with its Statement of Decision;

WHEREAS, the Reef Group subsequently filed and served its Proposed Order Granting Petition for Writ of Mandate in the Reef Group Action and its Proposed Judgement in the Validation Action; the BBGHAD filed objections to both the Proposed Order Granting Petition for Writ of Mandate and the Proposed Judgement;

WHEREAS, the Court subsequently issued its Order Granting Petition for Writ of Mandate in the Reef Group Action and entered Judgment in the Validation action; the BBGHAD has since filed a Notice of Appeal, appealing both the Order Granting Petition for Writ of Mandate in the Reef Group Action and the Judgment in the Validation Action;

WHEREAS, the BBGHAD also filed in the trial court a Motion for Stay of Enforcement of the Judgment ("Motion for Stay");

WHEREAS, on April 14, 2020, the Reef Group appeared in Court seeking an Ex Parte Order to Show Cause re Contempt against the BBGHAD, claiming that the Judgment in the Validation Action enjoins the BBGHAD from all actions except pursuing a CDP amendment;

WHEREAS, the Court denied the ex parte relief, and ruled that: a) no evidence supports a finding of contempt against the BBGHAD, b) the Court signed the wrong order and never intended to prevent the BBGHAD from holding a vote on a new assessment or moving forward with the Project in any other way, and c) the parties can further argue their respective positions at the hearing on the BBGHAD's Motion for Stay;

WHEREAS, on June 24, 2020, the Court held a hearing on the Motion for Stay, but has not yet issued its ruling;

WHEREAS, separate from the litigation process and the Notice Of Appeal described above, the BBGHAD has separately moved forward with implementing a new assessment in accordance with guidance provided by the Order by preparing a new Engineer's Report and related documents (collectively, "Revised and Restated 2020 Engineer's Report") and intends to hold a public hearing and Proposition 218 vote on a new 2020 BBGHAD assessment in the future;

WHEREAS, both the 2015 Assessment and the 2017 Assessment provide that the assessment is subject to an annual adjustment reflecting the percentage change in the Los Angeles metropolitan area Consumer Price Index for All Urban Consumers ("CPI Adjustment") over the previous twelve months;

WHEREAS, the Bureau of Labor Statistics' website establishes that the CPI Adjustment between May 1, 2019 and May 31, 2020 is 0.1% ("Fiscal Year 2019-20 CPI Adjustment");

WHEREAS, the Board of Directors intends to levy the Fiscal Year 2019-20 CPI Adjustment on the current assessment levy; and

WHEREAS, the assessment for each parcel within the District for Fiscal Year 2020-21 as adjusted by the Fiscal Year 2019-20 CPI Adjustment, is specified in Exhibit A.

The BBGHAD BOARD OF DIRECTORS HEREBY RESOLVES THAT:

1. The BBGHAD Assessment for Fiscal Year 2020-21 as adjusted by the Fiscal Year 2019-20 CPI Adjustment is hereby increased as shown in Exhibit A.
2. This Resolution shall become effective immediately upon its passage and adoption.

DATED: July 12, 2020

Norton Karno
NORTON KARNO, Chair

I, Heike Fuchs, Clerk of the Broad Beach Geologic Hazard Abatement District, certify that the foregoing resolution was duly adopted by the Board of Directors of the District at a regular meeting held on the 12 day of July 2020 by the following vote:

AYES: Karno, Grossman, Nadelmann, Marine, Tuba

NOES: 1.

ABSENT: 1.

ABSTAIN: 1.

Heike Fuchs
Clerk of the BBGHAD Board

EXHIBIT A

FY 2020/21
0.1% CPI Increase

Parcel#	Address	Frontage	FY 19/20	0.1 % CPI Increase	FY 20/21
4469026009	30780 PCH	48	\$ 34,728.07	34.73	\$34,762.80
4469026008	30712 PCH	57	\$ 41,239.59	41.24	\$41,280.83
4469026007	30718 PCH	50	\$ 36,175.08	36.18	\$36,211.26
4469026006	30724 PCH	50	\$ 36,175.08	36.18	\$36,211.26
4469026020	30728 PCH*	46.57	\$ 33,693.47	33.69	\$33,727.16
4469026019	30732 PCH*	46.57	\$ 33,693.47	33.69	\$33,727.16
4469026018	30738 PCH*	46.57	\$ 33,693.47	33.69	\$33,727.16
4469026017	30748 PCH*	46.56	\$ 33,686.23	33.69	\$33,719.92
4469026011	30750 PCH	30	\$ 21,705.04	21.71	\$21,726.75
4469026002	30760 PCH	80	\$ 57,880.13	57.88	\$57,938.01
4469026012	30800 BBR	50	\$ 36,175.08	36.18	\$36,211.26
4470013028	30804 BBR	42	\$ 30,387.07	30.39	\$30,417.46
4470013002	30810 BBR	42	\$ 30,387.07	30.39	\$30,417.46
4470013029	no addr./BB.S-1	42	\$ 30,387.07	30.39	\$30,417.46
4470013030	30822 BBR	84	\$ 60,774.13	60.77	\$60,834.90
4470013004	30826 BBR	42	\$ 30,387.07	30.39	\$30,417.46
4470013005	30830 BBR	55	\$ 39,792.59	39.79	\$39,832.38
4470013006	30838 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470013007	30842 BBR	50	\$ 36,175.08	36.18	\$36,211.26
4470013008	30846 BBR	60	\$ 43,410.10	43.41	\$43,453.51
4470013009	30852 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013010	30856 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013011	30860 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013012	30866 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013013	30870 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013014	30874 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013015	30900 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013016	30904 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013017	30908 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013018	30916 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013019	30918 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013020	30924 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013021	30928 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013022	30930 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013023	30936 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013024	30940 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013025	30944 BBR	39	\$ 28,216.56	28.22	\$28,244.78
4470013026	30948 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470013027	30952 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014001	30956 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014002	30962 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014003	30966 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014004	30970 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014008	31000 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014009	31008 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014010	31012 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014011	31016 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014012	31020 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014013	31022 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014014	31026 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014015	31030 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014016	31034 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014017	31038 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014018	31042 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014019	31048 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014020	31052 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014021	31054 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470014022	31058 BBR	40	\$ 28,940.06	28.94	\$28,969.00

FY 2020/21
0.1% CPI Increase

4470014023	30980 BBR	114	\$ 82,479.18	82.48	\$82,561.66
4470015030	31064 BBR	62	\$ 44,857.10	44.86	\$44,901.96
4470015004	31100 BBR	99	\$ 71,626.65	71.63	\$71,698.28
4470015031	31070 BBR	45	\$ 32,557.57	32.56	\$32,590.13
4470015029	31108 BBR	60	\$ 43,410.10	43.41	\$43,453.51
4470015006	31118 BBR	80	\$ 57,880.13	57.88	\$57,938.01
4470015027	31112 BBR	40	\$ 28,940.06	28.94	\$28,969.00
4470015007	31122 BBR	38	\$ 27,493.06	27.49	\$27,520.55
4470015033	31134 BBR	104	\$ 75,244.17	75.24	\$75,319.41
4470015011	31138 BBR	35	\$ 25,322.56	25.32	\$25,347.88
4470015012	31202 BBR	51	\$ 35,062.60	35.06	\$35,097.66
4470015013	31206 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015014	31212 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015015	31214 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015016	31220 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015017	31224 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015018	31228 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015019	31232 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015020	31236 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015021	31240 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470015032	31250 BBR	160	\$ 110,000.30	110.00	\$110,110.30
4470015025	31260 BBR	45	\$ 30,937.58	30.94	\$30,968.52
4470016032	31272 BBR	120	\$ 82,500.23	82.50	\$82,582.73
4470016003	31280 BBR	88	\$ 60,500.17	60.50	\$60,560.67
4470016004	31284 BBR	75	\$ 51,562.64	51.56	\$51,614.20
4470016037	31302 BBR	68	\$ 46,750.12	46.75	\$46,796.87
4470016036	31310 BBR	45	\$ 30,937.58	30.94	\$30,968.52
4470016031	31316 BBR	73	\$ 50,187.63	50.19	\$50,237.82
4470016028	31322 BBR	45	\$ 30,937.58	30.94	\$30,968.52
4470016027	31324 BBR	34	\$ 23,375.06	23.38	\$23,398.44
4470016008	31330 BBR	47	\$ 32,312.58	32.31	\$32,344.89
4470016010	31336 BBR	38	\$ 26,125.07	26.13	\$26,151.20
4470016011	31340 BBR	50	\$ 34,375.09	34.38	\$34,409.47
4470016012	31346 BBR	48	\$ 33,000.09	33.00	\$33,033.09
4470016013	31350 BBR	41	\$ 28,187.58	28.19	\$28,215.77
4470016033	31360 BBR	81	\$ 55,687.65	55.69	\$55,743.34
4470016016	31364 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470016017	31368 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470016018	31372 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470016019	31376 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470016020	31380 BBR	40	\$ 27,500.08	27.50	\$27,527.58
4470016025	31388 BBR	80	\$ 14,463.94	14.46	\$14,478.40
4470016026	31406 BBR	95	\$ 17,175.93	17.18	\$17,193.11
4470017069	31412 BBR	60	\$ 10,847.96	10.85	\$10,858.81
4470017068	31418 BBR	60	\$ 10,847.96	10.85	\$10,858.81
4470017066	address/2XMD Parth	50	\$ 9,039.96	9.04	\$9,049.00
4470017067	31430 BBR	105	\$ 18,983.92	18.98	\$19,002.90
4470017065	31438 BBR	50	\$ 9,039.96	9.04	\$9,049.00
4470017064	31444 BBR	50	\$ 9,039.96	9.04	\$9,049.00
4470017063	31450 BBR	50	\$ 9,039.96	9.04	\$9,049.00
4470017062	31454 BBR	50	\$ 9,039.96	9.04	\$9,049.00
4470017061	31460 BBR	51	\$ 9,220.76	9.22	\$9,229.98
4470017038	31500 Victoria Point	47	\$ 8,497.56	8.50	\$8,506.06
4470017037	31502 Victoria Point	49	\$ 8,859.17	8.86	\$8,868.03
4470017036	31504 Victoria Point	54	\$ 9,763.16	9.76	\$9,772.92
4470017035	31506 Victoria Point	46	\$ 8,316.76	8.32	\$8,325.08
4470017034	31508 Victoria Point	46	\$ 8,316.76	8.32	\$8,325.08
4470017033	31516 Victoria Point	51	\$ 9,220.76	9.22	\$9,229.98
4470017032	31520 Victoria Point	50	\$ 9,039.96	9.04	\$9,049.00
4470017031	31528 Victoria Point	50	\$ 9,039.96	9.04	\$9,049.00
4470017030	31532 Victoria Point	51	\$ 9,220.76	9.22	\$9,229.98
4470017029	31526 Victoria Point	53	\$ 9,582.36	9.58	\$9,591.94
4470017028	6525 Point Lechuza	58	\$ 10,486.36	10.49	\$10,496.85
4469026016	30756 PCH	100	\$ 72,520.28	72.52	\$72,592.80
	Total (Frontage)	6213.27			\$3,757,516.86