

## Business Seminars

Monrovia Business Seminar  
TBD

MADIA TECH LAUNCH  
TBD

Monrovia Kiwanis  
Meets at the Monrovia Restaurant  
Every Thursday 12-1:30 PM

Duarte Kiwanis  
Meets at Westminster Gardens  
Every Other Tuesday 12-1:30 PM

## **The Importance of Timing When Getting a Phase 1 Environmental Assessment Report Done**

Over recent decades, getting a Phase 1 environmental report completed has become the norm when buying and selling commercial property. Buyers and lenders simply need to know if a property may have any contamination that needs to be remediated, as the price of doing the remediation can become substantial. In addition, if you're a property owner and you're planning on selling your property, you may want to get a Phase 1 report done before you ever put your property on the market, especially if you suspect that the property may be contaminated. The reason for this is it allows you to get out ahead of the situation and determine exactly what you are dealing with, instead of being surprised at what may be found when a Phase 1 is conducted after you've already reached an agreement to sell your property. In these situations, if a Phase 1 report indicates that a more detailed study of the property is warranted, including potentially getting soil samples and then testing them for contamination, this can cause a buyer to begin losing interest in your property very quickly. In addition, if soil samples indicate that remediation is now necessary, the buyer can really begin worrying that there may still be more contamination on the property that the Phase 2 investigation will not discover.



See Page 2 Phase 1

## Quotes for the Month

"I knew that if I failed I wouldn't regret that, but I knew the one thing I might regret is not trying."  
-Jeff Bezos, founder and CEO Amazon

"It's not about ideas. It's about making ideas happen."  
- Scott Belsky, co-founder Behance

"I don't look to jump over 7-foot bars — I look for 1-foot bars that I can step over."  
- Warren Buffett

## **Obamacare? Trumpcare? What business owners need to know**

**Fox Business Gene Marks August 1, 2017**

One of the biggest myths of the Affordable Care Act is that the law doesn't affect small businesses. It does. Significantly.

Sure, businesses with less than 50 full time equivalent employees are exempted from the corporate mandates requiring that we provide affordable health insurance to our full timers. Yes, some very small businesses are potentially entitled to a tax credit. But the fact is that most businesses – big and small - do provide healthcare to our employees. And the ones that don't provide healthcare find themselves at a significant disadvantage to their larger competitors who do.

In survey after survey, healthcare consistently ranks as one of the top benefits desired by employees. Not offering this benefit prohibits companies from attracting good people.

Unfortunately, Washington has now made things more difficult.

See Page 2 Trumpcare

Contrast this instead with you now getting a Phase 1 report before you ever put your property on the market for sale. If a Phase 2 report and soil analysis are then warranted, you can remediate everything before you ever put the property on the market, and you'll now have the environmental closure report to show to any potential buyer. This will give the buyer a much better feeling about now moving forward with the transaction--a feeling that any contamination that had previously existed has now been remediated, making it now much safer to move forward and purchase the property.

When you're a property owner, another situation where you may want to have a Phase 1 report done revolves around you having a prospective tenant that you're concerned could do environmental damage to the property. In this situation, getting a Phase 1 report before the tenant moves in could give you something to lean on if the report indicates that everything should be OK environmentally with the property, and then after the tenant moves out, you then discover that the property has environmental problems. In these situations, the tenant will argue that the contamination existed before they ever took possession of the property, and you're going to need to prove otherwise.

So when you're an owner, there are situations when being proactive and getting a Phase 1 environmental report done, when you're not already in the middle of a sale transaction, can definitely benefit you.

Congress failed to pass a healthcare bill. The President is threatening reprisals. Government subsidies to the insurance industry may be cut off.

More people may be exempted from the mandate requiring them to buy healthcare insurance. Funding for key components of the Affordable Care Act may be withheld. Enforcement by the IRS and Department of Health and Human Services may be curtailed.

All of this will continue to contribute to the law's inevitable breakdown. But more importantly, it is already adding a huge amount of uncertainty to the insurance markets.

As I write this, regulators in [Tennessee](#), [Delaware](#), [Washington State](#), [Maryland](#) and [Connecticut](#) are requesting individual rate increases for next year ranging anywhere from 22 to 150 percent - yes, I said 150 percent, and more companies will be submitting their rate increase requests to state regulators over the next few weeks.

No one I know blames these companies, because no one I know would want to play ball on a field where the rules are constantly changing. This is not a great time to be in the health insurance business.

Nor is it a great time for the rest of us paying for health insurance. We want to provide healthcare insurance for our employees. In many cases it's a necessity if we hope to successfully recruit new people or retain our best ones so that we can grow. But, even with the "Affordable" Care Act, health insurance premiums for most of us have increased by double digits over the past few years and continues to represent one of the most significant line items on our income statements. So what do businesses - particularly small businesses like mine with fewer resources - do?

During the past few weeks, I've talked to dozens of my clients and asked this question of benefits consultants, payroll companies, HR experts, accountants and attorneys. Without exception I keep getting these three words thrown back at me. "Stay the course."

Stay the course means this: when the seas are rough, the weather is bad, the skies are darkening and the outlook is uncertain, put your head down and keep moving forward...with grim determination, courage and care.

In 2017 and for the year after that, "staying the course" means doing these six things:

- Sticking with a high deductible, "bronze" plan. This is what the lion's share of my clients are doing. It's the least expensive option and the least generous. But it keeps us in the game.



- Re-considering who we're covering. If you're paying the premiums for your employees' family members then good for you. But know that most of us aren't. This benefit is becoming less and less popular among small and medium sized businesses. You may want to reconsider and only cover the individual employee.
- Starting a Health Savings Account (HSA) Plan. These have been enormously popular over the past few years because they're inexpensive to setup and, through pre-tax contributions by both you and your employees can help defray some of the costs of those higher deductibles and out of pocket expenses.
- Self-insuring more. Most larger companies do this but this strategy is tougher for smaller companies because self-insuring requires good data and strong in-house administrative personnel. But even companies with only a dozen or so employees can offer a "hybrid" plan where an initial level of costs are self-insured before traditional group insurance kicks in.

Depending on the plan this could save your company money. Check out the [Self-Insurance Institute of America](#) for more options.

- Establishing a Healthcare Reimbursement Account (HRA). Thanks to December's 21st Century Cures Act, you can now setup an HRA without onerous penalties from the IRS. This means you can put pre-tax money away for employees so that they buy their own healthcare insurance instead of providing your own.

- Educating your people. I don't need to tell you that the healthcare environment is a mess right now. Even the experts don't have the answers. So imagine how confused your employees are. Making decisions out of ignorance will ultimately cause your employees (and you) to pay more for their insurance. So cough up a few hundred bucks and ask your local benefits expert to hold a quarterly seminar with updates throughout the year. Smarter people will make smarter choices.

It seems clear that the Trump administration is going to do everything in its power to force changes in the current healthcare law. Congress may find itself compelled to (gasp!) come up with a long term, bi-partisan healthcare bill to avoid a potential crisis.

More and more states will likely find themselves stepping up and creating their own healthcare programs. Without question, we're looking at many changes over the next few years. These changes will be disruptive and create uncertainty in an area of vital importance to our businesses.

Hopefully these changes will result in better options and strategies for controlling your healthcare costs in the future. But for now my friend, there's little else we can do but just stay the course.





Your business deserves a great property.  
With service to match.

**416 W. Chestnut Ave., Monrovia, CA 91016**

***In Escrow***



Brian Deets  
BRE Lic. 01800743  
626.244.4743 Cell  
brian@cibare.com

Alfredo Mejia  
BRE Lic. 01340251  
626.841.0599 Cell  
alfredo@cibare.com

830 S Myrtle Ave.  
Monrovia, CA 91016  
626.303.1818 Office  
626.303.1758 Fax  
www.cibare.com

## Industrial for Sale

### Property Highlights

- Asking \$3,800,000.00
- An Approx. 25,205 SF industrial Building
- On Approximately 43,194 SF Lot
- Suite Has Multiple Office Spaces With Large Bullpen
- Close to Myrtle Ave. & All Amenities
- Easy Access to 210, 605 & 10 Freeways



Shown by appointment only. Please  
call listing office to  
schedule an appointment.

Like Us on Facebook! Follow Us on Twitter!

