

**City of Culver City, California
City Council Agenda Item Report**

Meeting Date: 5/24/10		Item Number: <u>A-2</u>	
AGENDA ITEM: Adoption of a Resolution Approving the Engineer's Report and Declaring the City Council's Intention to Form the West Washington Boulevard Benefit Assessment District Number 2.			
Contact Person/Dept.: Elaine Warner		Phone Number: 310.253.5777	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Agendas and Meetings – City Council (05/19/10); Property Owners in West Washington Assessment District No. 2 (05/13/10)			
Department Approval: Sol Blumenfeld (05/14/10)		City Attorney Approval: Carol Schwab (by H. Baker) (05/19/10)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (05/19/10)		City Manager Approval: P. Lamont Ewell (05/19/10)	
<u>RECOMMENDATION</u> Staff recommends the City Council adopt a resolution (1) approving the assessment engineer's report; (2) declaring its intention to form the West Washington Boulevard Benefit Assessment District Number 2; (3) setting the time and place for the Public Hearing; and (4) authorizing the City Clerk to send out the notice and ballot to all record property owners in compliance with Proposition 218 and Article XIID of the California Constitution. <u>BACKGROUND</u> In December 2007, the City Council approved an Area Improvement Plan (AIP) along West Washington Boulevard between Centinela Avenue and Boise Avenue which includes landscaped medians. This is the second part of a multi-phased program that will enhance the Washington Boulevard corridor (Attachment 1). The installation of landscape medians will be funded by the Culver City Redevelopment Agency. While the Agency has proposed to fund the improvements, it will only do so if the on-going median maintenance is carried out through a property based assessment district. In November 2009, the City Council approved a Resolution of Initiation to begin the proceedings for the formation of a benefit assessment district along West Washington. The name designated for this district is "the West Washington Boulevard Benefit Assessment District Number 2" ("The District").			

City of Culver City, California
City Council Agenda Item Report

Since that time, conceptual plans have been developed and approved by the Agency Board. The conceptual plans include three (3) new medians, totaling 437 linear feet, that will be positioned along West Washington Boulevard between Centinela Avenue and Boise Avenue (Attachment 2). The proposed medians will enhance the commercial area with drought tolerant and low maintenance planting to ensure that ongoing maintenance costs are held to a minimum.

Estimated maintenance costs for these medians would be funded by the District through assessment of these costs to property owners within the District. The total annual cost is approximately \$19,163 and would include maintenance service twice a month. Assessments would be levied on a blended calculation of commercial linear feet as well as buildable square feet. As previously noted, construction documents for this project would not be prepared until the assessment district has been formed with the majority approval vote of the District's property owners.

DISCUSSION:

The District must provide a distinct and special benefit to those parcels that are within the District. Linear front footage and building square footage combined, allow for each parcel to be assessed in proportion to the special benefit received. The area has 1,936 feet of commercial linear footage and approximately 94,386 of building square footage.

In November 2009, a contract with NBS was approved by the Agency Board to assist with the District's formation. NBS has prepared an Engineer's Report (Attachment 2) that outlines the requirements and benefits for the District and details the general nature, location, and extent of the improvements to be maintained. The Engineer's Report also contains an estimate of the costs of maintenance, operations and servicing of the improvements, a diagram showing the area, and properties to be assessed.

As determined by the Engineer's Report, the assessments are proposed to be based on the following formula:

$$\begin{array}{r} \text{Parcels linear front footage (total maintenance costs x .70)} \\ + \\ \text{Building square footage (total maintenance costs x .30)} \\ \hline \text{= Total Annual Levy} \end{array}$$

A proposed Resolution of Intention has been prepared for the City Council's consideration. If adopted, it would approve the Engineer's Report. The proposed Resolution also sets the time and place for the Public Hearing (July 12, 2010 at 7:00 PM at the City Council Chambers) and authorizes the City Clerk to send out the

City of Culver City, California
City Council Agenda Item Report

notice and ballot to all record property owners in compliance with Proposition 218 and Article XIID of the California Constitution.

FISCAL ANALYSIS:

The Engineer's Report calculates the total annual maintenance assessments to be \$19,163, which includes the County administration cost of \$308.00. The proposed assessments included in the Engineer's Report set the initial maximum assessment for Fiscal Year 2010-2011. On February 1st of each year beginning in Fiscal Year 2011-2012 the maximum assessment shall be increased by the year over year change in Consumer Price Index for all Urban Consumers for the Los Angeles, Riverside and Orange County Area (CPI-U LA-Riverside-OC) through December. The annual assessment shall not exceed the maximum assessment unless the appropriate Proposition 218 proceedings are conducted by the City to authorize an increase beyond the maximum assessment amount.

As noted during conceptual plan approval, construction documents for this project would not be prepared unless the assessment district is formed.

The engineer's report includes annual administrative costs, including the preparation of the annual engineer's report and City/Agency administrative costs. This cost is estimated to be approximately \$3,500.

ATTACHMENTS:

Attachment 1 – Area Improvement Plan Map
Attachment 2 – Conceptual Plans
Attachment 3 – Engineer's Report
Attachment 4 – Proposed Resolution

MOTION:

That the City Council:

Adopt a resolution (1) approving the Engineer's Report, (2) declaring its intention to form the West Washington Boulevard Assessment District Number 2 and (3) setting the time and place for the Public Hearing and (4) authorizing the City Clerk to send out the notice and ballot to all record property owners in compliance with Proposition 218 and Article XIID of the California Constitution.