



City of Culver City

**Benefit Assessment District
West Washington Boulevard No. 2**

Fiscal Year 2013/14 Engineer's Report

May 2013

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**CITY OF CULVER CITY
BENEFIT ASSESSMENT DISTRICT
WEST WASHINGTON BOULEVARD NO. 2
9770 Culver Blvd.
Culver City, CA. 90232
Phone - (310) 253-5700**

CITY COUNCIL

Jeffery Cooper, Mayor

Meghan Sahli-Wells, Councilmember

Jim B. Clark, Councilmember

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CITY STAFF

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Elaine Gerety-Warner, Senior Management Analyst

NBS

Pablo Perez, Client Services Director

Tiffany Ellis, Project Manager

Nick Dayhoff, Financial Analyst

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1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Culver City (the "City"), State of California, under the Culver City Municipal Code (the "CCMC"), adopted its Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of an Engineer's Report for the Benefit Assessment District West Washington Boulevard No. 2 (the "District");

WHEREAS, the Resolution of Initiation directed the NBS Government Finance Group, to prepare and file a report presenting plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of cost of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received;

NOW THEREFORE, the following assessment is made to cover the portion of the estimated cost of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the District in proportion to the special benefit received:

SUMMARY OF ASSESSMENT

	As Preliminarily Approved	As Approved by Council
Direct Maintenance and Administrative Costs	\$20,019.41	
Reserve Fund Contribution	\$0.00	
Total Actual Budget Costs	\$20,019.41	
Total District Parcels	32	
Total Assessable Linear Front Footage	1,936.38	
Total Assessable Building Square Footage	94,386	
Proposed Assessment Per Linear Front Foot	\$7.23700	
Proposed Assessment Per Building Square Foot	\$0.06363	
Maximum Assessment Per Linear Square Foot	\$7.39412	
Maximum Assessment Per Building Square Foot	\$0.06501	

2. PLANS AND SPECIFICATIONS

The District provides for the continued administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

2.1. Description of the Boundaries of the District

The District is located in the City of Culver City. The boundaries of the District are generally described as that area located west of Centinela Avenue, east of Neosho Avenue, and along West Washington Boulevard.

2.2. Description of Improvements and Services

The improvements are the construction, operation, maintenance and servicing of medians, landscaping, lighting, and appurtenant facilities, including, but not limited to, labor costs, utilities, material, contracting services and any other items necessary for the satisfactory maintenance and operation of the these improvements as described below.

Reference is made to the plans and specifications for the improvements, which are on file with the Culver City Redevelopment Agency. The table below lists specific improvements within the District to be maintained:

Medians
Landscaping
Lighting
Irrigation

3. ESTIMATE OF COSTS

The estimated cost of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the assessment district levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

3.1. District Budget

DIRECT MAINTENANCE COSTS	MAXIMUM BUDGET FISCAL YEAR 2013/14	ACTUAL BUDGET FISCAL YEAR 2013/14
Maintenance Costs	\$7,575.23	\$5,400.00
Water for Irrigation	1,065.94	2,600.00
Lighting	3,246.53	5,000.00
Mulch Replenishment	941.49	600.00
Plant Replacement	2,705.44	1,500.00
Irrigation Replacement	1,082.18	1,082.18
Subtotal Direct Costs	\$16,616.81	\$16,182.18
ADMINISTRATION COSTS		
City Administration	\$1,000.00	\$1,000.00
Consultants	2,779.23	2,779.23
County Fee*	58.00	58.00
Subtotal Administration Costs	\$3,837.23	\$3,837.23
Subtotal of Direct & Administrative Costs	\$20,454.04	\$20,019.41
Amount to be carried over from Improvement Fund	\$0.00	\$0.00
Contributions from other Sources	0.00	0.00
Reserve Fund Contribution	0.00	0.00
Total Budget Costs	\$20,454.04	\$20,019.41
Rounding Adjustment	(0.14)	(0.23)
Total Balance to Levy	\$20,453.90	\$20,019.18
Total District Parcels	32	32
Total Assessable Linear Front Footage	1,936.38	1,936.38
Total Assessable Building Square Footage	94,386	94,386
Assessment Per Linear Front Foot	\$7.39412	\$7.23700
Assessment Per Building Square Foot	\$0.06501	\$0.06363

*Annual fee of \$50 per District, plus \$0.25 per parcel.

It is the intent of the City of Culver City to establish a reserve which shall not exceed the estimated costs of maintenance and servicing to December 10 of the fiscal year, or whenever the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

Estimated Fiscal Year Ending June 30, 2013 Reserve Fund Balance	\$8,930.00
Operating Reserve Collection / (Reduction) – Fiscal Year 2013/14	\$0.00
Estimated Fiscal Year Ending June 30, 2014 Reserve Fund Balance	\$8,930.00

3.2. Definitions of Budget Items

The following definitions describe the services and costs included in the District Budget:

Direct Costs:

Maintenance Costs includes all regularly scheduled labor, material and equipment required to properly maintain and ensure the satisfactory condition of all medians, palm trees, landscaping, and appurtenant facilities, on a bi-monthly basis.

Water for Irrigation includes the furnishing of water required for the operation and maintenance of the landscape and irrigation systems.

Lighting includes the furnishing of electricity required for the operation and maintenance of the palm tree uplights.

Mulch Replenishment includes once annually replenishment of mulch as required for the operation and maintenance of the landscaping and median facilities.

Plant Replacement includes the replacement of plants as required to ensure the satisfactory condition of the landscaping and median facilities (does not include replacement of palm trees).

Irrigation Replacement includes the ongoing repair and replacement of the irrigation systems, including solar controller and rain sensor.

Administration Costs:

City Administration includes the cost to all particular departments and staff of the City for providing the coordination of the District services, operations and maintenance of the improvements, response to public concerns and education, and procedures associated with the levy and collection of assessments.

Consultants include the costs associated with contracting with professionals to provide services specific to the administration of the annual assessment levy.

County Fee includes fees charged by the County of Los Angeles for placing the assessments onto the tax rolls on a yearly basis. This fee is \$0.25 per parcel plus \$50 per District.

Operating Reserve Collection:

Operating Reserve Collection is the amount collected to maintain reserves to enable the City to pay for the operation and maintenance costs to December 10 of the fiscal year. The Reserve Fund Contribution will continue until such a time the Reserve Fund balance is approximately one half of the annual costs. The funds will be allowed to build up gradually in anticipation of any unforeseen expenses not normally included in the yearly maintenance costs. This may include, but is not limited to, palm tree replacement, repair or damaged equipment due to vandalism, storms, and other similar events.

4. METHOD OF APPORTIONMENT

4.1. General

Pursuant to the CCMC and Article XIID, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the Agency to separate general benefit from special benefit, whereas only special benefit is assessed.

Each parcel within the District receives special and direct benefit from the improvements and associated appurtenances located within the public rights-of-ways located within the District, due to the proximity of said improvements.

4.2. Special Benefit

The landscape and median improvements will be installed by the Culver City Redevelopment Agency and the continued maintenance is guaranteed through the establishment (formation) of the District. Since these improvements are for the benefit of the properties within the District and those properties also benefit from the maintenance of the improvements, only the property owners within the District are assessed for the said maintenance of improvements.

In addition, the improvements confer a particular and distinct special benefit upon all parcels within the District because of the nature of the improvements. The ongoing and proper maintenance of landscaping improves the aesthetic appeal of the properties within the District providing a positive representation as well as the enhanced desirability of properties through association with the improvements. This increase in the value provides a distinct special benefit to the parcels within the District, which includes higher occupancy rates, increased rentals and lower vacancies. According to Judith Guido, Director of Marketing for LandCareUSA, landscaping can increase the resale value of a building up to 14% and speed up the sale of a building by 6 weeks. The installation and maintenance of raised medians improve both pedestrian and traffic safety to those either walking or driving within the District. According to the US Department of Transportation Federal Highway Administration, raised medians provide pedestrian protection by “reducing pedestrian involved crashes by 45 percent and fatalities by 78 percent” and after analysis of crash data in seven states, “raised medians reduce crashes by over 40 percent in urban areas.” The parcels within the District receive a distinct special benefit as their primary use is business/retail, and studies have proven that greenery and associated landscaping attract shoppers to the area as well as stimulate economic growth (Kathleen Wolf, University of Washington: Economic and Public Value of Urban Forests). Also, according to Virginia Cooperative Extension, a recent study has found that consumers are willing to pay a premium of up to 12% for goods purchased in retail establishments that are accompanied by quality landscaping. The ongoing and proper maintenance of the landscaping and appurtenant facilities specially benefits parcels within the District by enhancing the environmental quality of the parcels and making them more desirable by improving air quality, providing shade from solar radiation, reducing temperatures through evaporation and transpiration and absorbing heat (according to data from Planet, professional landscape network). All of the above mentioned items contribute to a specific enhancement and special benefit of the properties within the District.

4.3. General Benefit

In addition to the special benefits received by the parcels within the District, there are incidental general benefits conferred by the proposed improvements. It is recognized that the proper maintenance of the medians and landscaping improvements provide only an incidental benefit to the public at large, including traffic and pedestrian safety for those passing through the District. Also, according to Projectevergreen.com Economic Fact Sheet, the installation and proper maintenance of landscaping can protect the City's drainage systems. In addition, the proper maintenance of landscaping, lighting and appurtenant facilities reduces property relating crimes (especially vandalism) against properties located in the vicinity of the improvements (Diane Relf, Extension Specialist and Environmental Horticulture of Virginia Tech). Finally, the proper maintenance of landscaping provides a positive visual experience to persons passing through the District, which is only an incidental benefit. All of the aforementioned constitutes incidental general benefits conferred by the improvements.

The total benefits thus are a combination of the special benefits to the parcels within the District and the general benefits to the public at large and to the adjacent properties. Because the median and landscaping improvements are located immediately in front of the properties within the District, and is maintained for the benefit of said properties, any benefit received by properties outside the District is merely coincidental. Nonetheless, the Agency has agreed to ensure that no property is assessed in excess of the reasonable cost of the proportional special benefit conferred upon that property.

4.4. Method of Apportionment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon them as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements. The maximum assessment per linear front foot and building square foot is determined as follows:

$$\begin{aligned}\text{Assessment per Linear Front Foot} &= (\text{Total Costs} \times 0.70) / \text{Total District Linear Front Feet} \\ \text{Assessment per Building Square Foot} &= (\text{Total Costs} \times 0.30) / \text{Total District Building Square Feet}\end{aligned}$$

Only parcels that receive direct special benefit are assessed, and each parcel is assessed in proportion to the estimated benefit received, in accordance with the formula listed below:

$$\text{Parcel's Linear Front Footage X Assessment per Linear Foot} + \text{Parcel's Building Square Footage X Assessment per Building Square Foot} = \text{Assessment Per Parcel}$$

There are 32 total parcels within the District, with 1,936.38 total linear front feet and 94,386 total building square feet. The assessment is spread as follows:

Fiscal Year 2013/14 Total Budget Costs	\$20,019.41
Total District Linear Front Footage	1,936.38
Total District Building Square Footage	94,386
Proposed Fiscal Year 2013/14 Assessment per Linear Front Foot	\$7.23700
Proposed Fiscal Year 2013/14 Assessment per Building Square Foot	\$0.06363

4.5. Cost of Living Inflation

The proposed maximum assessment sets the initial maximum assessment and is stated in Fiscal Year 2010/11 dollars. Each fiscal year beginning Fiscal Year 2011/12, the maximum assessment amount shall be increased by the February Consumer Price Index for All Urban Consumers for the Los Angeles, Riverside and Orange County area. 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.

The following table shows the historical maximum and actual assessments for the District:

FISCAL YEAR	CPI	MAXIMUM ASSESSMENT PER LINEAR FRONT FOOT	MAXIMUM ASSESSMENT PER BUILDING SQUARE FOOT	ACTUAL ASSESSMENT PER LINEAR FRONT FOOT	ACTUAL ASSESSMENT PER BUILDING SQUARE FOOT
2010/11	-	\$6.92741	\$0.06091	\$6.92741	\$0.06091
2011/12	+2.27%	7.08498	0.06229	5.17097	0.04547
2012/13	+2.09%	7.23326	0.06360	3.32023	0.02919
2013/14	+2.22%	7.39412	0.06501	7.23700	0.06363

5. ASSESSMENT DIAGRAM

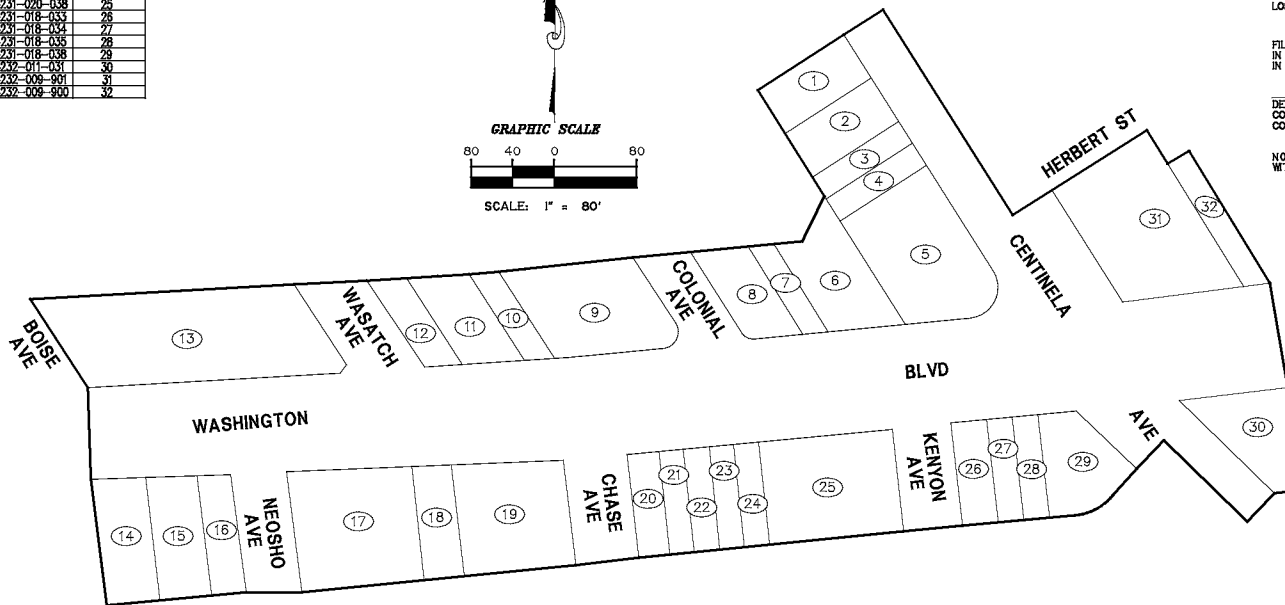
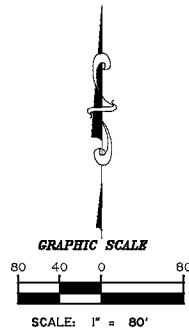
An Assessment Diagram for the District has been submitted to the City Clerk in the format required under the provision of the CCMC. The lines and dimensions shown on maps of the County Assessor of the County of Los Angeles for the current year are incorporated by reference herein and are made a part of this Report.

ASSESSMENT DIAGRAM

BENEFIT ASSESSMENT DISTRICT WEST WASHINGTON BOULEVARD NO. 2

CITY OF CULVER CITY
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

APN	Assessment Number
4223-002-907	1
4223-002-908	2
4223-002-909	3
4223-002-910	4
4223-002-911	5
4223-002-912	6
4223-002-913	7
4223-002-914	8
4223-002-915	9
4223-002-916	10
4223-002-917	11
4223-002-918	12
4223-002-919	13
4223-002-920	14
4223-002-921	15
4223-002-922	16
4223-002-923	17
4223-002-924	18
4223-002-925	19
4223-002-926	20
4223-002-927	21
4223-002-928	22
4223-002-929	23
4223-002-930	24
4223-002-931	25
4223-002-932	26
4223-002-933	27
4223-002-934	28
4223-002-935	29
4223-002-936	30
4223-002-937	31
4223-002-938	32



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF CULVER CITY
THIS _____ DAY OF _____, 2010.

CITY CLERK
CITY OF CULVER CITY
LOS ANGELES COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN DIAGRAM SHOWING THE PROPOSED FORMATION OF BENEFIT ASSESSMENT DISTRICT WEST WASHINGTON BOULEVARD NO. 2, CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CULVER CITY AT A REGULAR MEETING THEREOF HELD ON THE _____ DAY OF _____, 2010, BY ITS RESOLUTION NO. _____.

CITY CLERK
CITY OF CULVER CITY
LOS ANGELES COUNTY, CALIFORNIA

FILED THIS _____ DAY OF _____, 2010, AT THE HOUR OF _____ O'CLOCK _____ M.,
IN BOOK _____ AT PAGE _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS
IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

DEPUTY
COUNTY RECORDER
COUNTY OF LOS ANGELES

NOTE: FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH PARCEL WITHIN THE DISTRICT REFER TO THE COUNTY OF LOS ANGELES ASSESSOR'S MAPS.

LEGEND

- BENEFIT ASSESSMENT DISTRICT BOUNDARY
- PARCEL LINES
- (28) ASSESSMENT NUMBER

NBS

32805 Temecula Parkway, Suite 100
Temecula, CA 92592
Local Government Solutions



6. ASSESSMENT ROLL

Parcel Identification, for each lot or parcel within the District, shall be the parcel as shown on the Los Angeles County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within the District, along with the assessment amounts, is included on the following page. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel(s) shall be based on the method of apportionment spread approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amounts applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment spread rather than a proportionate share of the original assessment.

CITY OF CULVER CITY
BENEFIT ASSESSMENT DISTRICT WEST WASHINGTON BOULEVARD NO. 2

ASSESSMENT ROLL
FISCAL YEAR 2013/14

Assessor's Parcel Number	Assessment Number	Owner	Linear Front Footage	Levy Linear Front Footage	Building Square Footage	Levy Building Square Footage	Rounding Adjustment	Total Assesment
4231-002-901	5	CULVER CITY	103.39	\$748.23	9,233	\$587.50	(\$0.01)	\$1,335.72
4231-002-902	6	CULVER CITY	75.00	542.78	4,194	266.87	0.00	809.64
4231-002-903	7	CULVER CITY	25.00	180.93	1,457	92.71	(0.01)	273.62
4231-002-904	8	CULVER CITY	46.63	337.46	3,462	220.29	(0.01)	557.74
4231-002-905	4	CULVER CITY	25.00	180.93	0	0.00	(0.01)	180.92
4231-002-906	3	CULVER CITY	25.00	180.93	0	0.00	(0.01)	180.92
4231-002-907	1	CULVER CITY	50.00	361.85	968	61.59	0.00	423.44
4231-002-909	2	REDEVELOPMENT AGENCY OF CULVER CITY	50.00	361.85	1,273	81.00	(0.01)	442.84
4231-003-001	10	LAU DAVID H	29.62	214.36	950	60.45	(0.01)	274.80
4231-003-002	11	SARLO MICHAEL J & LORY	60.00	434.22	3,169	201.64	(0.01)	635.86
4231-003-003	12	SARLO MICHAEL J & LORY	37.19	269.14	2,559	162.83	(0.01)	431.96
4231-003-021	9	SMITH KEITH A	122.29	885.01	8,414	535.39	0.00	1,420.40
4231-018-033	26	B AND B HARDWARE PROPERTIES LLC	36.71	265.67	3,584	228.05	0.00	493.72
4231-018-034	27	BROUILLETTE JOSEPH F JR	25.00	180.93	1,500	95.45	(0.01)	276.36
4231-018-035	28	JACOBSON GLADYS B	25.00	180.93	1,675	106.58	(0.01)	287.50
4231-018-036	29	SARLO MICHAEL	38.23	276.67	6,900	439.05	0.00	715.72
4231-019-038	13	DRAKOS EUGENIA	247.58	1,791.74	5,016	319.17	(0.01)	2,110.90
4231-020-031	20	MIKHAIEL AMIR	33.00	238.82	1,897	120.71	(0.01)	359.52
4231-020-032	21	MIKHAIEL AMIR	25.00	180.93	2,000	127.26	(0.01)	308.18
4231-020-033	22	LEVINE NORMAN S & SUSAN R	25.00	180.93	1,250	79.54	0.00	260.46
4231-020-034	23	ENRIGHT JOHN	25.00	180.93	1,250	79.54	0.00	260.46
4231-020-035	24	KAPELINIKOV SHLOMO NAND	25.00	180.93	1,250	79.54	0.00	260.46
4231-020-038	25	B AND B HARDWARE PROPERTIES LLC	133.00	962.52	11,344	721.82	(0.01)	1,684.34
4231-021-037	17	CHAMAS KEVIN	120.84	874.48	5,092	324.01	(0.01)	1,198.48
4231-021-038	18	WILLIAMS KEITH R	37.61	272.15	2,358	150.04	(0.01)	422.18
4231-021-039	19	PERLOF STEPHEN & GORDANA	108.30	783.77	2,629	167.28	(0.01)	951.04
4231-022-001	16	ELKINS HERSCHEL T & MIRIAM B	50.14	362.86	1,595	101.49	(0.01)	464.34
4231-022-002	15	POLLOCK RONNIE L	50.14	362.86	5,180	329.61	(0.01)	692.46
4231-022-003	14	POLLOCK RONNIE L	33.09	239.47	2,286	145.46	(0.01)	384.92
4232-009-900	32	CULVER CITY	24.99	180.85	720	45.81	(0.01)	226.66
4232-009-901	31	CULVER CITY	119.55	865.18	0	0.00	0.00	865.18
4232-011-031	30	MORITA GERALD & JOLENE	104.09	753.30	1,181	75.15	(0.01)	828.44
Totals:			1,936.38	\$14,013.59	94,386	\$6,005.82	(\$0.23)	\$20,019.18