CITY OF CULVER CITY

Fiscal Year 2022/23 Engineer's Report For:

Benefit Assessment District West Washington Boulevard No. 3

May 2022

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

1. ENGINEER'S LETTER 1

2. INTRODUCTION 2

2.1 District 2

2.2 Boundaries of the District 2

2.3 Legislative Context 2

2.4 Court Rulings 2

3. IMPROVEMENTS 5

3.1 Median Maintenance 5

4. ASSESSMENT RATES 6

4.1 Maximum and Actual Assessment Rates for Fiscal Year 2022/23 6

4.2 Annual Maximum Assessment Rate Increases 6

4.3 Rate Development 6

4.4 Data for Annual Assessment Calculations 7

4.5 Appeals 7

4.6 Method of Collection 8

5. SPECIAL BENEFITS 9

5.1 Improved Aesthetics 9

5.2 Increased Economic Activity 9

6. SPECIAL BENEFIT DISTRIBUTION 10

6.1 Parcel Characteristics 10

6.2 Land Use Types 11

6.3 Total Special Benefit Points 12

7. SEPARATION AND QUANTIFICATION OF GENERAL BENEFITS 13

7.1 Summary 13

7.2 General Benefit Analysis 13

8. BUDGET 17

8.1 Balance to Be Assessed 17

8.2 Assessment per Special Benefit Point 18

8.3 Historical Maximum Assessment per Special Benefit Point 18

9. ASSESSMENT RATE DEVELOPMENT 19

10. ASSESSMENT DIAGRAM 20

11. ASSESSMENT ROLL 21

12. REFERENCES 22

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 (the "Resolution of Initiation") for the Benefit Assessment District West Washington Boulevard No. 3 (the "District");

WHEREAS, the Resolution of Initiation directed NBS, to prepare and file an Engineer's Report (the "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 the 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

Description	Amount
Total Budget Costs	$16,668.75
Less General Benefit Portion (8.61%)	(1,434.85)
Less Carryover from Improvement Fund	(4,742.00)
Balance to Be Assessed	**$10,491.90**

Land Use Type	Maximum Assessment Rate Per Frontage Ft	Maximum Assessment Rate Per Building Sq Ft	Actual Assessment Rate Per Frontage Ft	Actual Assessment Rate Per Building Sq Ft
Commercial Property	$5.65165	$0.03719	$1.93988	$0.01321
Apartment Property	5.65165	0.03719	1.93988	0.01321
Condominium Property	2.82583	0.01860	0.96994	0.00661
Public/Non-Profit Property	2.82583	0.01860	0.96994	0.00661

2. INTRODUCTION

2.1 District

The City desires to levy an assessment to fund certain improvements, as described in Section 3 of this Report, within the District. The proposed assessment is subject to the substantive and procedural requirements described in Section 4, Article XIII D of the California Constitution ("Article XIII D").

The assessment is authorized pursuant to Chapter 15.01 of the CCMC.

2.2 Boundaries of the District

The District includes those properties in the City fronting West Washington Boulevard between Beethoven Street to the east and Glencoe Avenue to the west.

2.3 Legislative Context

This Report is intended to comply with the requirements of Article XIII D and the CCMC. The following is a description of the legislative context within which this Report is written.

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

The substantive requirements are twofold: (1) assessments can only be imposed for a "special benefit" conferred on an assessed parcel, and (2) assessments must be in proportion to, and no greater than, the special benefit conferred on an assessed parcel.

The special benefit and proportionality requirements are described in Section 4, Subdivision (a) of Article XIII D: "*An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel*. …"

In addition to its substantive requirements, Article XIII D imposes certain procedural requirements, which include preparing an engineer's report, providing written notice to property owners, providing assessment protest ballots to property owners, holding a public hearing, and tabulating the assessment protest ballots.

2.4 Court Rulings

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

2.4.1 GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*) clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*) quoted from the Legislative Analyst Office's pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

2.4.2 BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon*), the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

2.4.3 PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically, there were differing opinions about the application of this requirement. The language in Article XIII D seemed clear that publicly owned property could not be exempted, but it was unclear whether the language required publicly owned property to be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)* clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

2.4.4 IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision*."

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits; however, it must be both defensible and consistently applied*."

3. IMPROVEMENTS

3.1 Median Maintenance

The District will fund the maintenance of seven proposed medians along West Washington Boulevard between Glencoe Avenue to the west and Beethoven Street to the east. The maintenance shall include, but not be limited to, landscaping, lighting, and appurtenant facilities. The assessment revenues may be used to fund the costs of labor, materials, utilities, repairs, contracting services, a contingency account, and administration as necessary to maintain the medians in a healthy and satisfactory condition. These maintenance and related services are collectively referred to as the "Improvements."

4. ASSESSMENT RATES

4.1 Maximum and Actual Assessment Rates for Fiscal Year 2022/23

The rates below represent the maximum and actual assessment rates for Fiscal Year 2022/23:

Land Use Type	Maximum Assessment Rate Per Frontage Ft	Maximum Assessment Rate Per Building Sq Ft	Actual Assessment Rate Per Frontage Ft	Actual Assessment Rate Per Building Sq Ft
Commercial Property	$5.65165	$0.03719	$1.93988	$0.01321
Apartment Property	5.65165	0.03719	1.93988	0.01321
Condominium Property	2.82583	0.01860	0.96994	0.00661
Public/Non-Profit Property	2.82583	0.01860	0.96994	0.00661

Based on the most-recent parcel characteristics, these rates are expected to generate approximately $10,491.90 in revenue during the Fiscal Year 2022/23. This assessment revenue will be supplemented by $4,742.00 carried over from prior year collections and $1,434.85 from sources other than assessments, to meet the total estimated budget of $16,668.75. Non-assessment revenues represent 8.61% of the total budget, which corresponds to the general benefit percentage identified in the Separation and Quantification of General Benefits section of this Report.

Future changes to parcel characteristics (building, frontage, and land use) will cause changes in the total assessment revenue. The assessment revenue for any given year will be the product of the District's parcel characteristics and the budget in effect for such fiscal year. Development within the District that increases the overall building square footage, for example, will lead to increased assessment revenue, even if assessment rates are not increased.

4.2 Annual Maximum Assessment Rate Increases

Each year the maximum assessment rates will be increased by the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles-Long Beach-Anaheim area for February, up to a maximum of five percent (5%). In no event shall the maximum assessment rates decrease. If, in the future, the Bureau of Labor Statistics discontinues or alters the CPI-U, the City shall select a comparable index as a replacement.

In any given year, the assessments may be levied at any rate sufficient to meet the estimated budget, as long as the actual rates do not exceed the maximum rates for that year.

4.3 Rate Development

The rates in Section 4.1 are the product of a detailed analysis that is presented in Sections 6 through 9 of this Report.

4.4 Data for Annual Assessment Calculations

Each year, as part of the assessment calculation procedures, the City or its designated consultant shall determine the land use type for each parcel based on the County Assessor's use code or other supplementary information made available and deemed reliable. The parcel characteristics of building square footage shall similarly be based on the County Assessor's secured rolled data for the applicable year and may be supplemented with other reliable data sources. The frontage of each parcel shall be determined by reference to County Assessor's parcel maps or, if necessary, to GIS data.

Assessment amounts may change over time in accordance with changes to parcel characteristics including land use type and building square footage.

4.4.1 MIXED USE

Parcels in the District may have multiple land uses and could be categorized as having more than one of the identified land use types. If the City or its consultant is made aware of a parcel with more than one land use type, the following shall apply:

If there are multiple land use types on one parcel, but those land use types have the same assessment rates, the City or its consultant shall select the most appropriate land use type designation and levy the applicable assessment rates.

If there are multiple land use types on one parcel, and those land use types have different assessment rates, the City or its consultant shall attempt to assign the actual building square footages to each of the land use types. Based on the proportionate share of actual building square footage, the City or its consultant shall then apply the total underlying frontage feet in proportions equal to the building square footage. After each land use type is assigned building square feet and frontage feet, the City or its consultant shall levy the applicable assessment rates upon the respective land use type.

> For example, if a parcel has both Commercial and Public/Non-Profit uses, the Commercial land use represents 40% of the total building square footage, and the Public/Non-Profit land use represents 60% of the total building square footage, the underlying lot's frontage shall be assigned 40% to the Commercial land use and 60% to the Public/Non-Profit land use. Those characteristics assigned to the Commercial land use shall be levied at the Commercial assessment rates and those characteristics assigned to the Public/Non-Profit land use shall be levied at the Public/Non-Profit assessment rates.

If there are multiple land use types on one parcel, and those land use types have different assessment rates, but data sufficient to delineate the building square footages is not available, the City or its consultant shall choose the most appropriate land use type and levy according to those rates.

4.5 Appeals

If any property owner believes the data used to calculate the assessment is inaccurate for any reason, the property owner shall submit, in writing, a request for review to the City. The property owner shall provide documentation needed to support the request for review. The City or its designated consultant shall review the request and provide a response to the property owner. The property owner must be current in the payment of all assessments when filing the request for review and must remain current during the

review process. The property owner should continue to pay any regular property taxes due according to the County's due dates.

If the review conducted by the City or its designated consultant results in changes to any parcel characteristics used to compute the assessment, the City or its designated consultant shall recalculate the assessment. When recalculating the assessments, the assessment rates actually applied in such fiscal year shall be used. Only the assessment for the parcel or parcels subject to review shall be recalculated.

If the recalculated assessment is less than the amount submitted to the County on the secured property tax roll, the difference shall be credited back to the property owner. This credit shall be limited to the current fiscal year and the prior fiscal year, if applicable. The “fiscal year” shall follow the County’s fiscal year for property taxes, from July 1 to June 30. The applicable fiscal year shall be determined by the date the request for review is submitted to the City.

> For example, if a request for review is submitted to the City during Fiscal Year 2022/23, the Fiscal Year 2022/23 and 2021/22 assessments will be reviewed. The property owner credit shall be limited to any difference calculated for Fiscal Year 2022/23 (the current fiscal year) and Fiscal Year 2021/22 (the prior fiscal year).

The credit may be provided in the form of a check to the property owner, an adjustment to the current year’s property tax roll (if possible), or a credit to the succeeding year’s assessment thereby reducing the amount placed on the secured property tax roll for such year.

If the recalculated assessment is greater than the amount submitted to the County on the secured property tax roll, the City or its designated consultant shall apply the recalculated assessment to the succeeding year’s property tax roll and no adjustments shall be made to the prior or current fiscal years’ assessments.

In any dispute over parcel characteristic data used to compute assessments, the City shall make a conclusive determination and its decision shall be final.

4.6 Method of Collection

The assessments will be collected annually on the County’s secured property tax roll. The assessments will be subject to the County’s assigned due dates and late penalties. However, the City may choose to collect the assessments in an alternate manner (including directly billing the property owner) as may be deemed appropriate or necessary by the City.

5. SPECIAL BENEFITS

The Improvements will confer special benefits upon certain parcels within the District. This section provides a description of those special benefits.

5.1 Improved Aesthetics

The Improvements will confer aesthetic benefits. The median maintenance, including landscaping and lighting within them, are designed to improve the visual appearance of the area immediately surrounding properties within the District. Research shows that when areas where consumers conduct business are more aesthetically pleasing, they are also more desirable (Vilnai-Yavetz, 2010). This desirability applies not just to Commercial Property, but the other property types. Therefore, the Improvements, will confer aesthetic benefits to the properties within the District.

5.2 Increased Economic Activity

The Improvements that confer aesthetic benefits will concurrently confer economic benefits to certain parcels, as well. The Improvements will create a more aesthetically pleasing environment, which has been shown to "increase consumer's intentions to spend money" (Vilnai-Yavetz 2010). This also applies to Apartment Property, as the aesthetically pleasing environment creates higher demand from tenants and increased rent potential for owners of this type of property. Therefore, the Improvements will also confer economic benefits to Commercial and Apartment Properties within the District.

6. SPECIAL BENEFIT DISTRIBUTION

As described in the Introduction, once special benefits are identified, they must be assigned based on the estimated proportionate special benefit derived by each parcel.

6.1 Parcel Characteristics

The following parcel characteristics are used to determine each parcel's proportionate special benefit:

- Building square footage
- Linear frontage

It is believed parcels of the same use will experience different degrees of special benefit in relation to differences in their building size and linear frontage. A parcel with a large building for example will experience greater special benefit than a parcel with a small building. Accordingly, as building size and linear frontage increase, parcels are considered to receive proportionately greater special benefit. Therefore, these parcel characteristics are deemed appropriate factors for determining proportional special benefit.

In order to relate differing parcel characteristics to one another, a relative factor is determined for each.

6.1.1 BUILDING FACTOR

At District formation, the average building size in the District was 3,301.30 square feet. Each parcel's actual building size was divided by the average building size to determine a Building Factor.

Parcel's **Building** Sq Ft / District's Average **Building** Sq Ft = Parcel's **Building** Factor

6.1.2 FRONTAGE FACTOR

At District formation, the average linear frontage in the District was 50.69 feet. Each parcel's actual linear frontage was divided by the average linear frontage to determine a Frontage Factor

Parcel's **Frontage** Ft / District's Average **Frontage** Ft = Parcel's **Frontage** Factor

6.1.3 FACTOR WEIGHTING

The Improvements will be provided in a largely linear fashion, i.e., median maintenance will occur along the length of West Washington Boulevard within the District. In addition, all pedestrian and vehicular traffic must travel along the frontage of a property (often the entire frontage), but may only experience a small portion of the building square footage. Because the Improvements are linear in nature, a greater weight is allocated to the frontage factor. In order to reflect the additional value placed on frontage, the weighting of factors is adjusted to reflect a 70%/30% split between the Frontage Factor and Building Factor. Therefore, the weighting is applied as follows:

Factor	Weight
Building	30%
Frontage	70%

In order to reflect this weighted apportionment in the Special Benefit Point calculations, the Frontage Factor will simply be multiplied by $2\frac{1}{3}$. This increases the weight of the Frontage Factor to achieve the weights noted above.

Changes to the underlying characteristics of a parcel, such as increases/decreases in building square footage, will cause this 70/30 relationship to change. However, maximum assessment rates in the future will be determined by increasing these initial assessment rates by a Cost-of-Living Inflator, as described in Section 4.2 of this Report.

6.2 Land Use Types

In addition to building size and linear frontage, a parcel's land use type will also affect the special benefits received. Following the calculation of each parcel characteristic factor, Land Use Benefit Points were assigned. These benefit points correspond to the special benefits described in Section 5.

Each parcel within the District boundary is assigned a land use type for purposes of determining the special benefits received. Below is a description of the land use type categories to be assessed within the District.

Commercial Property consists of parcels used for a commercial or for-profit purposes including, but not limited to, retail, offices, restaurants, commercial garages, private schools, hotels/motels, medical/dental offices, hospitals, parking lots, and privately-owned pay-to-use parking structures.

Apartment Property consists of duplexes, triplexes, fourplexes, and apartment buildings used exclusively for residential rental purposes.

Condominium Property consists of condominiums used exclusively for residential purposes.

Public/Non-Profit Property consists of the following:

- parcels used for public purposes including, police and fire stations, parks, public schools, libraries, and other government administration offices
- parcels owned by a public utility
- parcels owned by a 501 (c) organization

As described below, some special benefits are conferred upon all land use types, and others are conferred only upon certain land use types.

6.2.1 APPORTIONING AESTHETIC BENEFIT

The aesthetic benefits conferred by the Improvements will be enjoyed by all assessable land use types. The benefit of visual appeal is not restricted to a particular land use. A more attractive public environment can be enjoyed by all parcels irrespective of land use type. Accordingly, each assessable land use type will be assigned one Aesthetic Benefit Point.

6.2.2 APPORTIONING ECONOMIC ACTIVITY BENEFIT

Condominium Property is generally not concerned with attracting customers and tenants, as its land-use status is that of an individual, private owner for a single unit. Therefore, Condominium Property is assigned zero Economic Activity Benefit Points.

This is in contrast to Apartment Property, which is concerned with attracting and keeping tenants. In this way, Apartment Property receives economic benefits from the Improvements. Thus, Apartment Property will receive one Economic Activity Benefit Point.

Commercial Property receives economic benefits from the Improvements, as well. As noted earlier, the Improvements will create a more aesthetically pleasing environment, which has been shown to "increase consumer's intentions to spend money" (Vilnai-Yavetz 2010). Thus, Commercial Property concerned with customer attraction will receive one Economic Activity Benefit Point.

Public/Non-Profit Property is not concerned with customers or tenants like Commercial Property or Apartment Property. Neither is Public/Non-Profit Property a for-profit endeavor. Therefore, Public/Non-Profit Property will be assigned zero Economic Activity Benefit Points.

6.2.3 LAND USE BENEFIT POINT SUMMARY

The table below summarizes the Land Use Benefit Points:

Land Use Type	Aesthetic Benefit Points	Economic Benefit Points	Total Land Use Benefit Points
Commercial Property	1.00	1.00	**2.00**
Apartment Property	1.00	1.00	**2.00**
Condominium Property	1.00	0.00	**1.00**
Public/Non-Profit Property	1.00	0.00	**1.00**

6.3 Total Special Benefit Points

The calculation of Total Benefit Points for each parcel takes into account each component analyzed and described above: Parcel Characteristics and Land Use. The formula for determining each parcel's Total Special Benefit Points is as follows:

$$\left(\text{Building Factor} + \left[\text{Frontage Factor} \times 2\tfrac{1}{3} \right] \right) \times \text{Land Use Benefit Points} = \text{Total Special Benefit Points}$$

The Total Special Benefit Points are computed for each parcel in the District and summed. The Total District Special Benefit Points are 492.829. These Total District Special Benefit Points are used to determine the Assessment per Special Benefit Point shown in Section 8.

7. SEPARATION AND QUANTIFICATION OF GENERAL BENEFITS

As described in the Introduction, only special benefits are assessable and in order to assess only special benefits, the general benefits resulting from the Improvements must be separated and quantified. This section describes the process used to separate and quantify the general benefits.

7.1 Summary

As detailed below, it is estimated the Improvements will confer 8.61% general benefit.

7.2 General Benefit Analysis

7.2.1 GENERAL BENEFIT: PARCELS ON THE PERIPHERY OF THE DISTIRCT

The Improvements will be provided solely within the District. However, it's reasonable to assume a certain level of aesthetic and economic benefits will accrue to properties on the periphery of the District, as the Improvements would increase the aesthetics of the side of the street opposite these parcels. To calculate the general benefit accruing to property on the periphery of the District as a result of the Improvements, the total Benefit Points were recalculated by including those six parcels on the periphery of the District (i.e., those non-District parcels just outside the eastern and western boundaries of the District).

The following figures represent the adjusted parcel characteristics resulting from the inclusion of these peripheral parcels, at the time of District formation:

- Average building square footage: 3,894.94
- Average linear frontage: 55.49

In addition to adjusting the averages for purposes of calculating the factors, a Distance Factor was also included for parcels on the periphery of the District. Because the peripheral parcels are outside the District boundary—across an intersection—the Distance Factor for these parcels has been determined to be half that of parcels within the District. Therefore, a Distance Factor of 1.00 was assigned to parcels within the District and a Distance Factor of 0.50 was assigned to parcels on the periphery.

Accordingly, the formula for determining each parcel's total Benefit Points for purposes of this section is as follows:

$$\left(\text{Building Factor} + \left[\text{Frontage Factor} \times 2\tfrac{1}{3}. \right] \right) \times \text{Distance Factor} \times \text{Land Use Benefit Points} = \text{Total Benefit Points}$$

Applying the methodology described in Section 6, with the above-mentioned modifications, results in the following Benefit Point totals:

Area	Benefit Points	Percentage
Property within the District	445.338	90.40%
Property on the Periphery of the District	47.268	9.60%
Totals	**492.606**	**100.00%**

The Benefit Points for property within the District represents special benefit, and the Benefit Points for property on the periphery of the District represents general benefit. Therefore, the portion of general benefit accruing to parcels on the periphery of the District is 9.60%.

General Benefit: Parcels on the Periphery of the District	**9.60%**

7.2.2 GENERAL BENEFIT: VEHICLES PASSING THROUGH THE DISTRICT

As a result of the Improvements, there will be a level of aesthetic general benefit to pass-through vehicle traffic related to properties outside of the District whose occupants do not intend to access property within the District. As such, the aesthetic benefit derived by pass-through vehicle traffic needs to be quantified. In order to do this, we must first know the average daily vehicle trips through the District. The City's website contains a map, prepared by the City's Information Technology Department, showing the average daily traffic flow through the District along West Washington Boulevard. This figure shows that West Washington Boulevard in the area of the District has an average of 40,100 daily vehicle trips.

Next, we must estimate the number of daily vehicle trips generated by properties within the District. To accomplish this, data from the Institute of Transportation Engineers (ITE) Trip Generation Manual was used to estimate the daily vehicle trips for each property within the District by assigning each parcel an ITE land use type. The estimated number of daily vehicle trips generated by properties within the District is 7,741, as summarized below:

ITE Land Use Type	Estimated Daily Vehicle Trips
Apartment	80
Commercial-Auto	748
Commercial-Business Office	633
Commercial-Restaurant	799
Commercial-Retail	5,341
Condominium	35
Industrial	64
Religious/Lodge Hall	41
Total	**7,741**

Therefore, the estimated number of pass-through vehicle trips related to properties outside of the District is 32,359:

Average Daily Traffic Flow Through District		Estimated District-Generated Vehicle Trips		Estimated Pass-Through Vehicle Trips
40,100	-	7,741	=	32,359

However, simply estimating the number of pass-through vehicle trips is not a complete indicator of the level of aesthetic benefits accruing to these vehicles. Estimating the total amount of time these pass-through vehicles spend within the District, as compared to the actual properties permanently within the District, is a better indicator of the temporary aesthetic benefits accruing to the pass-through vehicles.

To estimate the total time these pass-through vehicles spend within the District, we must take into account the total length of the District along West Washington Boulevard and the average traffic speed of this street (using local speed limits):

Street	Length (in Miles) Within District	Average Speed (MPH)	Travel Time (in Hours) Through District per Vehicle
W Washington Blvd	0.4367	35	0.0125

Applying the travel time through the District per vehicle of 0.0125 hours to each of the pass-through vehicle trips results in a total pass-through time of 403.75 hours per day:

Travel Time (in Hours) Through District per Vehicle		Estimated Pass-through Vehicle Trips		Total Pass-through Time (in Hours)
0.0125	x	32,359	=	403.75

We now need to relate this total daily pass-through time to the total time the District properties spend in permanent proximity to the Improvements within the District:

Time Class	Hours	Percentage
Total Pass-through Time	403.75	17.93%
Total District Property Time [1]	1,848.00	82.07%
Totals	**2,251.75**	**100.00%**

(1) Equals the number of original properties within the District multiplied by 24 (hours).

The percentage of time spent by pass-through vehicles driving through the District is 17.93%. However, this is not yet the percentage of aesthetic general benefit accruing to occupants of pass-through vehicles. The Improvements provide both aesthetic and economic benefits to parcels within the District, but vehicles simply passing through the District only receive a temporary aesthetic benefit, and not an economic benefit. Therefore, this percentage is reduced by half. In addition, not all pass-through vehicles will travel the full length of the District. While most will travel the full length of the District, some will only travel within a portion of the District, turning on any of the seven cross streets along West Washington within the District. We estimate that, on average, these pass-through vehicles will travel through 85% of the District, therefore the total pass-through time percentage is reduced by an additional 15%:

Total Pass-through Percentage	17.93%
Reduction Factor for No Economic Benefit	0.50
Reduction Factor for Length of Travel	0.85
Adjusted Total Pass-through Percentage	**7.62%**

Therefore, the aesthetic general benefit accruing to vehicles passing through the District is 7.62%:

General Benefit: Vehicles Passing Through the District	**7.62%**

7.2.3 COLLECTIVE GENERAL BENEFIT

Since the benefits are comprised of improved aesthetics and increased economic activity, the general benefit must be addressed in a collective manner rather than independently. Therefore, the average of the general benefit percentages was used to quantify the collective general benefit for the District. This collective general benefit is shown in the table below:

General Benefit: Parcels on the Periphery of the District	9.60%
General Benefit: Vehicles Passing Through the District	7.62%
Collective General Benefit	**8.61%**

The general benefit, which is the percentage of the total budget that must be funded through sources other than assessments, is 8.61%. The special benefit, which is the percentage of the total budget that may be funded by assessments, is 91.39%.

8. BUDGET

The following table summarizes the estimated annual costs to fund the Improvements for Fiscal Year 2022/23:

Description	Amount
Maintenance	
General Maintenance Costs	$2,500.00
Water for Irrigation	2,000.00
Lighting Repair/Replacement	0.00
Plant/Mulch Replacement	0.00
Electrical Usage	2,000.00
Irrigation Repair/Replacement	0.00
Subtotal Maintenance	*$6,500.00*
Reserves	
Allocation to Reserves	$5,000.00
Administration	
City Administration, Public Noticing, and County Fees	$668.75
Consultants	4,500.00
Subtotal Administration	*$5,168.75*
Total Budget Costs	**$16,668.75**

8.1 Balance to Be Assessed

The total amount to be assessed upon the specially benefitting parcels is the total cost of the Improvements, as detailed above, less the portion attributable to General Benefit as detailed in the Separation and Quantification of General Benefits section and prior year carryover from the Improvement Fund associated with the District.

The calculation of the balance to be assessed is shown below:

Description	Amount
Total Budget Costs	$16,668.75
Less General Benefit Portion (8.61%)	(1,434.85)
Less Carryover from Improvement Fund	(4,742.00)
Balance to Be Assessed	**$10,491.90**

Each year the estimated budget may change, which will cause a corresponding change in the dollar amount of general benefit. However, the general benefit percentage will remain at 8.61% in future years.

8.2 Assessment per Special Benefit Point

The Assessment per Special Benefit Point is determined by dividing the Balance to Be Assessed by the sum of the Total District Special Benefit Points noted in Section 6.

The calculation of the Assessment per Special Benefit Point is shown below:

Description	Amount
Balance to Be Assessed	$10,491.90
Total District Special Benefit Points	492.829
Assessment per Special Benefit Point	**$21.29**

The Assessment per Special Benefit Point is multiplied by each parcel's Total Special Benefit Points to determine an assessment amount. The Assessment per Special Benefit Point has been translated into the Assessment Rates shown in Section 4. The following section provides details of the computations used to determine the Assessment Rates.

8.3 Historical Maximum Assessment per Special Benefit Point

As discussed in Section 4.2, Each year the maximum assessment rates will be increased by the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles-Long Beach-Anaheim area for February, up to a maximum of five percent (5%). In no event shall the maximum assessment rates decrease.

The following table shows the historical maximum and actual assessment rates per Special Benefit Point for the District:

Fiscal Year	CPI Change	Rate Increase	Maximum Assessment Per Special Benefit Point	Actual Assessment Per Special Benefit Point
2019/20	-	-	$56.03	$0.00
2020/21	+3.36%	+3.36%	57.91	10.55
2021/22	+0.97%	+0.97%	58.47	18.79
2022/23	+7.40%	+5.00%	61.39	21.29

9. ASSESSMENT RATE DEVELOPMENT

This section describes the calculation of the assessment rates using the analysis in Sections 5 through 7 of this Report and combining it with the Balance to Be Assessed calculated in Section 8.

The rate for each component of the assessment (building and frontage) can be broken down into its individual parts as follows:

Building Factor x Land Use Benefit Points x Assessment per Special Benefit Point = **Building** Levy

Frontage Factor x Land Use Benefit Points x Assessment per Special Benefit Point = **Frontage** Levy

The determination of a rate for each component of the assessment is the component's levy divided by the component value.

For example, the total Frontage Levy for Commercial parcels is $6,858.90, and the total Frontage for those same Commercial parcels is 3,535.74 feet. Therefore, the Assessment Rate per Frontage Foot for Commercial parcels is $1.93988.

Frontage Levy of Commercial Parcels / Frontage Ft of Commercial Parcels = Assessment Rate per Frontage Ft of Commercial Parcels

This same process is used for each component of the assessment and each unique combination of land use. The final, summarized results of these calculations are shown below as well as in Section 4.

Maximum and Actual Assessment Rates for FY 2022/23:

Land Use Type	Maximum Assessment Rate Per Frontage Ft	Maximum Assessment Rate Per Building Sq Ft	Actual Assessment Rate Per Frontage Ft	Actual Assessment Rate Per Building Sq Ft
Commercial Property	$5.65165	$0.03719	$1.93988	$0.01321
Apartment Property	5.65165	0.03719	1.93988	0.01321
Condominium Property	2.82583	0.01860	0.96994	0.00661
Public/Non-Profit Property	2.82583	0.01860	0.96994	0.00661

Future changes to a parcel's characteristics (building, frontage, and land use) will cause changes in the assessment amount. The assessment amounts for any given year will be the product of each parcel's characteristics and the District budget in effect for such fiscal year.

Development within the District that increases the overall building square footage, for example, will lead to a greater total levy, even if the actual assessment rates are not increased.

10. ASSESSMENT DIAGRAM

The following page contains the assessment diagram for the District.

ASSESSMENT DIAGRAM
WEST WASHINGTON BOULEVARD BENEFIT ASSESSMENT DISTRICT NO. III

CITY OF CULVER CITY
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

ID	APN
1	4230-008-001
2	4230-008-003
3	4230-008-019
4	4230-008-021
5	4230-008-023
6	4230-008-027
7	4230-008-029
8	4230-008-031
9	4230-008-055
10	4230-008-058
11	4230-008-094
12	4230-008-095
13	4230-008-096
14	4230-008-097
15	4230-008-098
16	4230-008-099
17	4230-009-003
18	4230-009-043
19	4230-009-044
20	4230-016-001
21	4230-016-002
22	4230-016-003
23	4230-016-004
24	4230-016-005
25	4230-016-006
26	4230-016-007
27	4230-017-001
28	4230-017-005
29	4230-017-006
30	4230-017-037
31	4230-023-012
32	4230-023-013
33	4230-023-014
34	4230-023-015
35	4230-023-016
36	4230-023-021
37	4230-023-022
38	4230-023-028
39	4230-023-029

ID	APN
40	4230-023-033
41	4230-023-034
42	4230-023-035
43	4236-022-001
44	4236-022-002
45	4236-022-003
46	4236-022-004
47	4236-022-005
48	4236-022-033
49	4236-023-001
50	4236-023-002
51	4236-023-036
52	4236-023-038
53	4236-024-004
54	4236-024-005
55	4236-024-006
56	4236-024-007
57	4236-024-008
58	4236-024-042
59	4236-025-001
60	4236-025-002
61	4236-025-003
62	4236-025-037
63	4236-026-001
64	4236-026-002
65	4236-026-008
66	4236-026-035
67	4236-026-036
68	4236-027-001
69	4236-027-038
70	4236-027-039
71	4236-028-008
72	4236-028-009
73	4236-028-010
74	4236-028-035
75	4236-028-038
76	4236-028-039
77	4236-029-004

FILED IN THE OFFICE OF THE CITY CLERK THIS ____ DAY OF _____, 20__.

_____
CITY CLERK
CITY OF CULVER CITY
COUNTY OF LOS ANGELES

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS ____ DAY OF _____, 20__.

_____
SUPERINTENDENT OF STREETS
CITY OF CULVER CITY
COUNTY OF LOS ANGELES

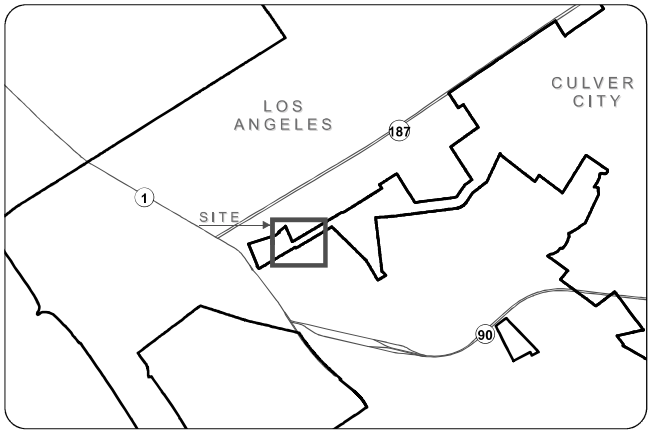
AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF CULVER CITY ON THE LOTS, PIECES, AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM. THE ASSESSMENT WAS LEVIED ON THE ____ DAY OF _____, 20__; THE ASSESSMENT DIAGRAM AND ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THAT CITY ON THE ____ DAY OF _____, 20__. REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

_____
CITY CLERK
CITY OF CULVER CITY
COUNTY OF LOS ANGELES

FILED THIS ____ DAY OF _____, 20__, AT THE HOUR OF __ O'CLOCK _M, IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____, IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

_____
COUNTY RECORDER
COUNTY OF LOS ANGELES

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.



Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

NBS

11. 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 pages. 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

West Washington Boulevard No. 3

Final Billing Detail Report for Fiscal Year 2022/23

APN	Linear Front Footage	Building Square Footage	Linear Front Footage Assessment	Building Square Footage Assessment	Grand Total
4230-008-001-6	120.00	0	$232.78	$0.00	$232.78
4230-008-003-4	40.00	960	77.59	12.68	90.27
4230-008-019-6	40.00	0	77.59	0.00	77.59
4230-008-021-2	40.00	0	77.59	0.00	77.59
4230-008-023-0	40.00	4,256	77.59	56.23	133.82
4230-008-027-6	40.00	0	77.59	0.00	77.59
4230-008-029-4	40.00	0	77.59	0.00	77.59
4230-008-031-0	42.24	1,375	81.94	18.16	100.10
4230-008-055-1	200.00	9,070	387.97	119.84	507.81
4230-008-058-8	40.00	0	77.59	0.00	77.59
4230-008-094-4	26.67	1,636	25.86	10.80	36.66
4230-008-095-3	26.67	1,636	25.86	10.80	36.66
4230-008-096-2	26.67	1,636	25.86	10.80	36.66
4230-008-097-1	26.67	1,636	25.86	10.80	36.66
4230-008-098-0	26.67	1,636	25.86	10.80	36.66
4230-008-099-9	26.67	1,636	25.86	10.80	36.66
4230-009-003-2	25.00	1,391	48.49	18.37	66.86
4230-009-043-4	73.33	4,350	142.25	57.47	199.72
4230-009-044-3	125.25	7,688	242.96	101.58	344.54
4230-016-001-9	50.25	688	97.47	9.09	106.56
4230-016-002-8	25.00	3,160	48.49	41.75	90.24
4230-016-003-7	25.00	0	48.49	0.00	48.49
4230-016-004-6	25.00	0	48.49	0.00	48.49
4230-016-005-5	25.00	2,700	48.49	35.67	84.16
4230-016-006-4	25.00	4,275	48.49	56.48	104.97
4230-016-007-3	50.25	4,612	97.47	60.94	158.41
4230-017-001-7	50.25	2,908	97.47	38.42	135.89
4230-017-005-3	25.00	1,625	48.49	21.47	69.96
4230-017-006-2	75.25	4,868	145.97	64.32	210.29
4230-017-037-5	75.00	4,115	72.74	27.18	99.92
4230-023-012-2	25.00	1,300	48.49	17.17	65.66
4230-023-013-1	25.00	1,500	48.49	19.82	68.31
4230-023-014-0	25.00	0	48.49	0.00	48.49
4230-023-015-9	25.00	0	48.49	0.00	48.49
4230-023-016-8	25.00	0	48.49	0.00	48.49
4230-023-021-1	25.00	1,825	48.49	24.11	72.60
4230-023-022-0	25.00	1,853	48.49	24.48	72.97
4230-023-028-4	124.56	4,501	241.63	59.47	301.10
4230-023-029-3	52.14	1,924	101.14	25.42	126.56
4230-023-033-7	52.13	3,375	101.12	44.59	145.71
4230-023-034-6	75.00	2,550	145.49	33.69	179.18

Slight variances may occur due to rounding

Copyright © 2013 by NBS

City of Culver City

West Washington Boulevard No. 3

Final Billing Detail Report for Fiscal Year 2022/23

APN	Linear Front Footage	Building Square Footage	Linear Front Footage Assessment	Building Square Footage Assessment	Grand Total
4230-023-035-5	25.00	0	48.49	0.00	48.49
4236-022-004-8	25.00	0	48.49	0.00	48.49
4236-022-005-7	25.00	0	48.49	0.00	48.49
4236-022-033-3	82.73	1,032	160.48	13.63	174.11
4236-022-035-1	107.70	6,227	208.92	82.28	291.20
4236-023-001-9	57.70	3,711	111.93	49.03	160.96
4236-023-002-8	25.00	2,010	48.49	26.55	75.04
4236-023-036-8	107.74	3,920	209.00	51.79	260.79
4236-023-038-6	50.00	2,500	96.99	33.03	130.02
4236-024-004-4	25.00	836	48.49	11.04	59.53
4236-024-005-3	25.00	606	48.49	8.00	56.49
4236-024-006-2	25.00	2,415	48.49	31.91	80.40
4236-024-007-1	41.00	2,912	79.53	38.47	118.00
4236-024-008-0	41.73	2,947	80.95	38.94	119.89
4236-024-042-8	82.70	3,255	160.42	43.00	203.42
4236-025-001-4	32.70	0	63.43	0.00	63.43
4236-025-002-3	25.00	2,596	48.49	34.30	82.79
4236-025-003-2	50.00	3,080	96.99	40.69	137.68
4236-025-037-2	132.73	16,372	257.47	216.33	473.80
4236-026-001-2	47.03	1,064	91.23	14.05	105.28
4236-026-002-1	25.00	0	48.49	0.00	48.49
4236-026-008-5	57.50	5,022	111.54	66.35	177.89
4236-026-035-2	75.00	4,250	145.49	56.15	201.64
4236-026-036-1	50.00	2,072	96.99	27.37	124.36
4236-027-001-0	54.14	3,710	105.02	49.02	154.04
4236-027-038-7	137.85	18,680	267.41	246.82	514.23
4236-027-039-6	100.00	16,137	193.98	213.22	407.20
4236-028-008-1	50.00	4,000	96.99	52.85	149.84
4236-028-009-0	25.00	2,000	48.49	26.42	74.91
4236-028-010-7	29.14	1,740	56.52	22.99	79.51
4236-028-035-8	50.00	5,450	96.99	72.01	169.00
4236-028-038-5	71.68	29,622	139.04	391.40	530.44
4236-028-039-4	71.68	3,924	139.04	51.84	190.88
4236-029-004-3	117.08	6,400	227.12	84.56	311.68
75 Accounts	**3,903.48**	**245,175**	**$7,343.92**	**$3,147.24**	**$10,491.16**
75 Total Accounts	**3,903.48**	**245,175**	**$7,343.92**	**$3,147.24**	**$10,491.16**

Slight variances may occur due to rounding

Copyright © 2013 by NBS

12. REFERENCES

Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)

Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)

Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)

Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)

Iris Vilnai-Yavetz & Shaked Gilboa (2010) The Effect of Servicescape Cleanliness on Customer Reactions, Services Marketing Quarterly, 10.1080/15332961003604386

City of Culver City (2007). https://www.culvercity.org/home/showdocument?id=152

Institute of Transportation Engineers (2012). *Trip Generation Manual, 9th Edition.*