

***Draft Report***

Commercial Linkage  
Fee Nexus Study

*The Economics of Land Use*



Prepared for:

City of Culver City

Prepared by:

Economic & Planning Systems, Inc.

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*Economic & Planning Systems, Inc.  
949 South Hope Street, Suite 103  
Los Angeles, CA 90015-1454  
213 489 3838 tel*

*Oakland  
Sacramento  
Denver  
Los Angeles*

**[www.epsys.com](http://www.epsys.com)**

EPS #194059

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# 1. INTRODUCTION

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## Background

As new employment-generating development continues to occur in Culver City (City), there is an increasing need for housing in the City to serve that workforce. In particular, the City is concerned with the lack of supply of housing that is affordable to new lower-wage workers in the City. There are several tools available to the City to address this supply challenge, including the development of a commercial linkage fee. A commercial linkage fee, also known as a jobs-housing linkage fee, is a type of development impact fee charged to developers of new nonresidential properties to help support affordable housing for new workers. The conceptual underpinning of the fee is that new nonresidential development creates new jobs, and some of these jobs will pay wages below what is required for a worker to afford a market-rate housing unit in the city. If the cost to construct new housing units is higher than can be supported by the rents or home prices that workers can afford to pay, the difference is considered an “affordability gap.” The nexus (or reasonable relationship) established between the projected number of lower-wage jobs created by new development, and the subsidy needed to fund this “affordability gap” and support the creation and maintenance of units that are affordable to workers in these jobs is the basis for the linkage fee.

Economic & Planning Systems (EPS) was retained by the City to complete the required nexus analysis that quantifies the relationship between the growth in several nonresidential land uses, including retail, office, warehouse/industrial/manufacturing, lodging/hospitality, assisted living and media studio and research and development/flex uses (Commercial Land Uses) and the demand for and cost of affordable housing for the local workforce.

Assessing an impact fee, such as a linkage fee, based on an established nexus is allowed pursuant to under the State of California’s Mitigation Fee Act (AB 1600 or California Government Code sections 66000 et seq.) As a development impact fee, this linkage fee can only be charged to new development and must be based on the impact of new development on the need for resources to subsidize the development of new affordable housing. Fee revenue may be collected by the City and used to subsidize the production of new affordable units for lower-income households.

## Key Findings

**Table 1** summarizes the maximum justifiable linkage fee by Commercial Land Use category. The methodology used to establish the maximum justifiable fees is described in the subsequent chapters of this report.

**Table 1 Summary of Maximum Allowable Fees**

<b>Employment Category</b>	<b>Maximum Fee per sq. ft.</b>
Retail/Restaurant	\$249
Office	\$171
Warehouse/Industrial/Manufacturing	\$66
Media Studio and R&D/Flex	\$30
Lodging	\$148
Assisted Living	\$141

Source: Economic & Planning Systems, Inc.

**Table 2** presents the income categories that are relevant for this fee program. This study uses incomes defined by the State of California’s Department of Housing and Community Development (HCD) The number of worker households that are generated as a result of commercial development are categorized on the basis of these income levels.

**Table 2 Los Angeles County Income Category Definitions (2019)**

<b>Income Group and Standard Definition</b>		<b>HCD 2020 Maximum Income</b> 3-Person Household
Extremely Low	≤30% AMI	\$30,450
Very Low	>30% to ≤50% AMI	\$50,700
Low	>50% to ≤80% AMI	\$81,100
Median	>80% to ≤100% AMI	\$69,550
Moderate	>100% AMI to ≤120% AMI	\$83,500
Above Moderate	>120% to ≤150% AMI	\$104,325

Source: Los Angeles County 2020 Income Limits, California Department of Housing and Community Development (HCD);  
 City of Culver City Housing Element; Economic & Planning Systems, Inc.

## Sources

To estimate the fee, EPS relied on numerous sources of data, including the following:

- U.S. Bureau of Labor Statistics (BLS) "May 2019 National Industry-Specific Occupational Employment and Wage Estimates"
- State Department of Housing and Community Development (HCD) annual income limits for 2020
- U.S. Census Bureau American Community Survey (ACS) 5-Year Estimates (2014-2018)

- Input from City of Culver City's staff regarding affordability levels, recently developed affordable housing projects, market assumptions, and nexus study methodology

These and other data sources are identified on the tables provided throughout this report. In addition, data from recent Culver City developments and land transactions found in Keyser Marston Associates' Inclusionary Housing Feasibility Study prepared for the City in April 2019 have been combined with information collected from various market-rate and affordable housing developers to estimate appropriate development cost assumptions for use in Culver City.

## Organization of Report

Following this **Introduction and Executive Summary**, this study includes the following chapters:

- **Chapter 2** summarizes the required nexus findings of the Study.
- **Chapter 3** describes the methodology used to calculate the fee.

## 2. REQUIRED NEXUS FINDINGS FOR FEE PROGRAM

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The following section confirms that this Nexus Study contains the findings required under the Mitigation Fee Act for the establishment of a development impact fee.

### Background

The City of Culver City (City) has not previously adopted a commercial linkage fee for affordable housing. Given adoption of the 2013-2021 Housing Element, as well as a number of changes in local housing supply, regional housing needs, and broader economic and housing trends, the City retained Economic & Planning Systems, Inc. (EPS) to affirm the need for and calculate an affordable housing impact fee for new commercial (i.e., nonresidential) development.

### Authority

This study serves as the basis for requiring development impact fees under AB 1600 legislation, as codified by the Mitigation Fee Act (California Government Code sections 66000 *et seq.*). This section of the Mitigation Fee Act sets forth the procedural requirements for establishing and collecting development impact fees. These procedures require that a reasonable relationship, or nexus, must exist between a governmental exaction and the purpose of the condition.

In 1991, the Ninth Circuit U.S. Court of Appeals upheld the City of Sacramento's nonresidential linkage fee.<sup>1</sup> In that case, the court found that the City of Sacramento's fee program "substantially advanced a legitimate interest." EPS is using a similar methodology to the nexus study reviewed in that case to develop the City of Culver City's fee program.

#### Required Nexus Findings

- Identify the purpose of the fee.
- Identify how the fee is to be used.
- Determine how a reasonable relationship exists between the fee's use and the type of development project on which the fee is imposed.
- Determine how a reasonable relationship exists between the demand for the affordable housing and the type of development project on which the fee is imposed.
- Demonstrate a reasonable relationship between the amount of the fee and the cost of the public benefit attributable to the development on which the fee is imposed.

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<sup>1</sup> *Commercial Builders of Northern California v. City of Sacramento*, 941 F2d 872 (1991).

## **Purpose of Fee**

The fee program established through this Nexus Study will fund the development and preservation of affordable housing projects in the City required by the increase in local, lower-wage workers employed by new nonresidential development. The businesses that occupy new nonresidential buildings will hire employees, many of whom will have difficulty finding suitable local housing they can afford.

## **Use of Fee**

The fee will be collected by the City. The funds are used to assist in the production or rehabilitation of affordable housing units and/or the acquisition of existing at-risk units, in the City. The fee may also fund the studies and administration to support the fee program.

## **Relationship between Use of Fee and Type of Development**

New commercial development in the City will generate new jobs. Some portion of the workers in those jobs will not earn wages high enough to afford rent prices necessary to support new residential development without subsidy. The linkage fee will be used to help fund this subsidy, resulting in the development of residential units affordable to the local workforce. In addition to the direct impacts of supporting the development of more affordable units, the fee will have indirect benefits on overall housing affordability in the City. An increase in housing supply will help alleviate the demand pressures that contribute to the increase in City housing prices, and an increase in affordable housing supply specifically will help address the challenges of housing insecurity and homelessness facing households in the community, including working households.

## **Relationship between Demand for Affordable Housing and Type of Project**

The City and EPS have identified six Commercial Land Use for which a separate fee has been calculated. The proportion of lower wage workers and the number of square feet per employee for each employment category has been assessed to ensure a proper nexus is established.

## **Relationship between Amount of Fee and Cost of Public Benefit Attributed to New Development**

EPS estimated the difference between the cost of developing new rental housing and the value of the new rental units based on rents affordable to workers at wages typical of businesses in different commercial land uses. The affordable rents yielded unit values below the cost of construction, indicating an "affordability gap." To estimate the fee for each Commercial Land Use, this gap was multiplied by the anticipated number of lower wage workers generated by the new development projects and the number of households of various income categories those workers are likely to form.



### 3. METHODOLOGY AND FEE CALCULATION

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#### Land Use Categories

The Commercial Land Uses analyzed in this study are presented in **Table 3**, along with a description of the types of businesses that are included in each category. In general, each land use category is intended to be associated with a particular type of building or land use, to which the fees can be applied. The City has asked EPS to evaluate six distinct land use categories, but the City may choose not to adopt fees for all land use categories. While most land use categories are discretely associated with a particular type of building, others may be interchangeable as tenants may shift between building types (e.g., offices locating in retail space). This analysis bases its employment projections on NAICS codes associated with the most typical tenants for each land use category, as defined in **Appendix B**.

**Table 3 Land Use Category Descriptions**

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Land Use Category	Description and Examples
Retail/Restaurants	Businesses selling merchandise, entertainment, and personal services to the general public. Examples include grocery stores, drug stores, clothing stores, general merchandise stores, beauty salons, and gas stations. Restaurants are also included in this category.
Office	Employers engaged in business activity with limited direct access from the general public; businesses focused on professional and financial services. Examples include finance, insurance, real estate, law, engineering, and science and technology.
Warehouse/Industrial/Manufacturing	Employers engaged in business activity with limited direct access from the general public; businesses focused on assembling, distributing, or repairing products; businesses focused on the testing and invention of new materials, products, or processes; and businesses engaged in the transformation of raw materials into consumable products. Examples include warehouses, auto repair, self-storage facilities, and food/beverage/smoking products manufacturing.
Media Studio and R&D/Flex	Combines the businesses that engaged in media production with research and design facilities, including physical sciences, life sciences, and social sciences. These businesses use similar building types, and over time the tenants may shift between studios and R&D.
Lodging	Lodging or short-term accommodations for travelers, vacationers, and others and comprises establishments primarily engaged in providing short-term lodging in facilities known as hotels, motor hotels, resort hotels, and motels.
Assisted Living	Facilities focused on providing assisted living services. Examples include continuing care facilities, nursing homes, rehabilitation centers, hospice care facilities.

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Source: Economic & Planning Systems, Inc.

## Estimates of New Worker Households

The following section details the methodology for estimating the distribution of household income levels for new worker households in the City, and the number of these households that will be generated by new development in each Commercial Land Use category.

### Occupational Category and Wage Distribution

The first step in determining the number of new worker households requiring affordable residential units is to associate each land use type with occupational categories and estimate the wage distribution within those categories. This estimate included the following analytical steps:

- EPS used Bureau of Labor Statistics (BLS) national data regarding industries and occupation categories to estimate the proportion of occupations likely to be represented under each land use category. For example, EPS evaluated the occupation categories for the lodging industry to determine the proportional distribution of occupations for the land use category "Lodging." North American Industry Classification System (NAICS) sector 721000 ("Accommodation") shows that 4.3 percent of the jobs in the lodging industry nationwide are taken by managers, while 27.3 percent are in the category of buildings and grounds cleaning and maintenance (see **Table B-2**). The occupational distribution for all designated employment categories is provided in **Appendix B**.
- EPS used the BLS's *National Industry-Specific Occupational Employment and Wage Estimates* for 2019 (the most recent year available) to estimate the wages earned by employees in industry sectors related to the land use categories. This BLS data set includes wage data for occupations at both the national and Metropolitan Statistical Area (MSA) levels.<sup>2</sup> To account for regional wage disparities, EPS calculated wage adjustment factors, as displayed in **Table 4**, and applied these adjustment factors to the national income level for each occupation by industry sector to estimate the wages for workers in the City.
- The wages for each occupation were multiplied by 1.61, the average number of workers per working household in the City.<sup>3</sup> The resulting figure represents estimated annual household income under the assumption that all workers in a household have similar earning potential. While certainly there will be some variation in wages per employee within a household, in the absence of more specific data, this analysis assumes comparable levels of education and training among all workers in a household.

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<sup>2</sup> Culver City is within the Los Angeles-Long Beach-Anaheim MSA. Wage data for the MSA are provided by occupations, aggregated for all industries, while national-level occupation wage data are broken out by industry sector (e.g., "management" workers in retail industries versus in industrial/R&D industries).

<sup>3</sup> From the Census Bureau's American Community Survey.

**Table 4 Adjustment Factors - Converting National Wages to Los Angeles MSA Wages**

<b>Occupation Category</b>	<b>US Average Wage</b>	<b>Los Angeles-Long Beach-Anaheim MSA Average Wage</b>	<b>Los Angeles-Long Beach-Anaheim MSA % of US Average</b>
Management	\$121,560	\$134,680	110.8%
Business and Financial Operations	\$76,910	\$81,970	106.6%
Computer and Mathematical Science	\$91,530	\$98,240	107.3%
Architecture and Engineering	\$87,370	\$100,070	114.5%
Life, Physical, and Social Science	\$76,160	\$88,890	116.7%
Community and Social Services	\$49,280	\$59,520	120.8%
Legal Occupations	\$108,690	\$132,820	122.2%
Education, Training and Library	\$56,620	\$70,000	123.6%
Arts, Design, Entertainment, Sports, and Media	\$59,780	\$83,220	139.2%
Healthcare Practitioner and Technical	\$82,000	\$98,660	120.3%
Healthcare Support	\$32,380	\$32,470	100.3%
Protective Services	\$48,580	\$60,370	124.3%
Food Preparation and Serving	\$25,580	\$29,860	116.7%
Buildings and Grounds Cleaning and Maintenance	\$30,020	\$35,690	118.9%
Personal Care and Service	\$28,090	\$34,280	122.0%
Sales and Related Occupations	\$41,790	\$46,400	111.0%
Office and Administrative Support	\$38,990	\$45,370	116.4%
Farming, Fishing and Forestry	\$30,140	\$33,990	112.8%
Construction and Extraction	\$51,220	\$60,190	117.5%
Installation, Maintenance, and Repair	\$48,960	\$55,630	113.6%
Production	\$39,190	\$39,520	100.8%
Transportation and Material Moving	\$38,290	\$39,470	103.1%

Sources: Bureau of Labor Statistics *National Industry-Specific Occupational Employment and Wage Estimates*, May 2019; Economic & Planning Systems, Inc.

**Table 5** presents an example of how household income is calculated for each occupational category and the corresponding income category for that household.

**Table 5 Illustration of Employees' Household Income Calculation**

Item	Source	Example
Employment Category	City of Culver City and EPS	Lodging
Industry	Bureau of Labor Statistics (BLS)	Accommodation (NAICS Code 721000)
Occupation Category	BLS	Buildings and Grounds Cleaning and Maintenance
Nationwide Median Income for Occupation	BLS	\$28,000
Regional Wage Adjustment Factor for Occupation	BLS and EPS	118.9%
Median Wage Estimate for the Los Angeles-Long Beach-Anaheim MSA	BLS and EPS	\$33,288
Workers per Household	American Community Survey 5-Year Estimates 2018	1.61
Median Income per Household	Workers per HH Multiplied by Med. Annual Wage	\$53,726
Income Category for 4-person Family	California Housing and Community Development (HCD)	Low

Sources: City of Culver City; Bureau of Labor Statistics; California Housing and Community Development; Economic & Planning Systems, Inc.

## Distribution of Workers by Land Use Type

After identifying income ranges for each occupation category, EPS summed the percentages of the households in each income bracket across all occupations represented in the land use categories. These estimates of the proportion of worker households in each income brackets by land use category are presented in **Table 6**.

As illustrated, Retail/Restaurant and Assisted Living are expected to generate significant numbers of households at the very low-income level, while jobs in the Industrial and Office uses are expected to yield more households with incomes at or above moderate-income levels.

## Employment Densities

Different land use categories operate with varying levels of employment densities. Industrial uses, for example, often do not require a significant number of employees but do require a significant amount of building square footage. Office uses, on the other hand, may not require a significant amount of square footage, but often require a significant number of employees. The number of building square feet anticipated for an employee is termed the “employment density” of each land use category.

Based on input from City staff, independent research, and experience with other comparable cities, EPS estimated the employment density for each of the land use categories (detailed in **Appendix Table A-1**). Using these employment density assumptions, EPS estimated the number of employees that would occupy a prototype 100,000-square foot building for each land use category, as shown in **Table 7**.

## Household Formation

After calculating the estimated number of new employees generated for each land use category, EPS estimated the number of households represented by these new employees, detailed in **Table 7**. To calculate new households, EPS first adjusted the number of workers expected to form new households, accounting for those workers who are typically too young (aged 16 to 19) to form their own households.<sup>4</sup> The resulting adjusted estimate of new workers was divided by 1.61, which represents the average number of workers per households in Culver City.<sup>5</sup> These assumptions suggest that approximately six households are formed for every ten new employees.

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<sup>4</sup> Data from the Bureau of Labor Statistics indicate this age cohort represents about 1.9 percent of the overall workforce. This proportion was applied to all industries except retail/restaurant industries, where the younger worker cohort represent 12.5 percent of the overall industry employment.

<sup>5</sup> Based on the Census Bureau’s American Community Survey 2014-2018 data regarding the number of Culver City’s residents who are defined as “workers” in households that have workers.

**Table 6 Income Distribution of Worker Households by Employment Category <sup>[1]</sup>**

Employment Category	Income Level			
	Very Low 50% AMI	Low 80% AMI	Moderate 120% AMI	Above Moderate 150% AMI
Retail/Restaurant	47.7%	46.0%	0.0%	6.3%
Office	0.8%	40.6%	0.0%	58.6%
Warehouse/Industrial/Manufacturing	0.0%	39.8%	0.0%	60.2%
Media Studio and R&D/Flex	4.3%	6.7%	1.8%	87.2%
Lodging	3.5%	89.6%	0.0%	6.9%
Assisted Living	46.5%	36.7%	0.0%	16.8%

[1] Designation of household income assumes a 3-person household and 1.61 workers per household, based on American Community Survey data.

Sources: Bureau of Labor Statistics; California Housing and Community Development (HCD); Economic & Planning Systems, Inc.

**Table 7 Household Generation Rates by Employment Category**

Employment Category	Sq.Ft. per Worker <sup>1</sup>	Total Workers per 100k Sq.Ft.	% of Workers Forming Households <sup>2</sup>	Total Households per 100k Sq.Ft. <sup>3, 4</sup>	Households by Income Level <sup>5</sup>			
					Very Low 50% AMI	Low 80% AMI	Moderate 120% AMI	Above Moderate 150% AMI
Retail/Restaurant	550	182	87.5%	99	47	45	0	6
Office	250	400	98.1%	243	2	99	0	142
Warehouse/Industrial/Manufacturing	600	167	98.1%	102	0	40	0	61
Media Studio and R&D/Flex	670	149	98.1%	91	4	6	2	79
Lodging	654	153	98.1%	93	3	83	0	6
Assisted Living	1,000	100	98.1%	61	28	22	0	10

[1] See **Appendix Table A-1** for sources on employment densities in different land uses.

[2] National Retail Federation data indicates that 12.5% of retail/restaurant workers are aged 16-19, but an average of only 1.9% of workers in other industries fall into that age cohort. EPS has assumed that workers aged 16-19 do not form their own households.

[3] Assumes 1.61 employees per household based on Census data; rounded.

[4] Assumes all workers would prefer to live in the City of Culver City. Based on existing commute patterns, there may need to be additional adjustments to account for employees that choose to live elsewhere.

[5] Figures are rounded to nearest whole number.

Sources: US Census; California Housing and Community Development (HCD); Economic & Planning Systems, Inc.

## Housing Development Costs and Affordability Gap

In order to calculate the maximum justifiable fee for each land use category, EPS estimated the “affordability gap” related to developing residential units affordable to very-low, low, and moderate-income households. The analysis assumed that the average type of housing for the City’s lower-income workers would be a two-bedroom apartment unit in a three to four-story building. The assumed prototype reflects multifamily construction at 65 dwelling units to the acre with surface parking.<sup>6</sup> This building prototype is generally cost-effective to construct, as it makes efficient use of land and does not involve overly expensive construction materials or techniques.

California State law (California Health and Safety Code Section 50052.5) assumes that a two-bedroom unit is occupied by a three-person household, and this assumption is used in this analysis. Consistent with Keyser Marston Associates’ survey of rental properties in Culver City, EPS assumes that the typical gross square footage of a two-bedroom rental unit in Culver City will be approximately 1,155 square feet.

### Development Cost Assumptions

Affordable housing development costs include land costs, direct costs (e.g., labor and materials), and indirect or “soft” costs (e.g., architecture, entitlement, marketing, etc.). For rental projects, operating costs also must be incorporated into the analysis. Development cost data prepared by Keyser Marston Associates was combined with information collected from various market-rate and affordable housing developers to estimate appropriate development cost assumptions. These assumptions are shown on **Table 8**.

### Revenue Assumptions

Assumptions must be made regarding the applicable income level (very-low, low, moderate, and middle) and the percentage of household income spent on housing costs to calculate the values of the affordable units. In addition, translating these assumptions into unit prices and values requires estimates of operating expenses and capitalization rates. The following assumptions were used in these calculations:

- *Income Levels*—This analysis estimates the subsidy required to produce units for households falling into the very low, low, and moderate-income categories for a three-person household. While these categories are generally defined as a percentage of area median income (AMI) by HCD, in Los Angeles County the dollar amount thresholds for each category are not necessarily in line with the percentage thresholds. For example, in 2020, AMI in Los Angeles County for a three-person household is \$69,550 according to the HCD, but the maximum income for the low-income category (typically defined as 51 to 80 percent of AMI) is \$81,100

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<sup>6</sup> The density assumption of 65 units per acre is the average of the density achievable under the City’s Mixed-Use Ordinance density bonus (50 units per acre) and the density achievable with the City’s Mixed-Use density bonus and the State of California’s density bonus for projects providing affordable housing units (80 units per acre).



(see **Table 2**). This income threshold, which is clearly above 80 percent of AMI, is established to reflect the relatively high cost of housing found in Los Angeles County.<sup>7</sup>

- *Percentage of Gross Household Income Available for Housing Costs*— HCD standards on overpaying for rent indicate that households should pay no more than 30 percent of their gross income on housing costs. For this analysis, EPS has assumed that all households shall spend 30 percent of their gross income on housing costs.
- *Operating Costs for Rental Units*—This analysis assumes that apartment operators incur annual operating costs of \$6,000 per unit, which include the cost of utilities, for units affordable for those falling into the very low and low-income categories. EPS has assumed the units for moderate and above moderate-income households would have similar operating costs but would be built by for-profit builders and thus also subject to property taxes, increasing their annual operating cost to \$10,000 per unit.

### **Affordability Gap Results**

**Table 8** shows the costs and values for developing rental apartments in the City for households at various income levels. Across all categories, the cost of constructing the unit is higher than the supportable value of the unit. This is considered the “affordability gap,” and serves as the basis for calculating the subsidies required to provide housing for the lower-wage worker households generated by new nonresidential development. The results of the analysis illustrate that rents affordable to households earning above-moderate incomes and below cannot support the costs of new construction without subsidy.

It should be noted that the affordability gap is greater for moderate income units than it is for low income units. This is because the HCD-defined maximum limits for low income and moderate income are only \$2,400 apart, but units designated for moderate income households are subject to property tax, which is estimated to be around \$4,000 in typical cases. As units designated for low income households are assumed to be built by non-profit developers and thus exempt from such taxes, their value is higher, and their affordability gap lower, than that of units occupied by moderate income households.

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<sup>7</sup> See HCD State Income Limits 2020, <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2020.pdf>

**Table 8 Affordability Gap Analysis – Rental Product Type**

Item	Assumption	3-4 Story Multifamily Building with Subterranean Parking			
		Very Low 50% AMI	Low 80% AMI	Moderate 120% AMI	Above Moderate 150% AMI
<b>Site Assumptions [1]</b>					
Lot Size (Sq. Ft.)		26,000	26,000	26,000	26,000
Gross Buildable Area (Sq. Ft.)		63,225	63,225	63,225	63,225
2-Bedroom Units [2]		44	44	44	44
<b>Acquisition Cost [3]</b>					
<i>Total Acquisition Cost</i>	\$225 per sq. ft.	\$5,850,000	\$5,850,000	\$5,850,000	\$5,850,000
<i>Acquisition Cost per Unit</i>		\$132,955	\$132,955	\$132,955	\$132,955
<b>Direct Costs [4]</b>					
On-site Improvement	\$20 per sq. ft.	\$520,000	\$520,000	\$520,000	\$520,000
Parking Spaces (Above Ground Podium) [5]	\$20,000 per space	9	9	9	9
Parking Spaces (Subterranean)	\$35,000 per space	79	79	79	79
Parking Cost		\$2,945,000	\$2,945,000	\$2,945,000	\$2,945,000
Building Costs	\$135 per sq. ft.	\$8,535,375	\$8,535,375	\$8,535,375	\$8,535,375
Contingency	20% of other direct costs	\$2,400,075	\$2,400,075	\$2,400,075	\$2,400,075
<i>Total Direct Cost</i>		\$14,400,450	\$14,400,450	\$14,400,450	\$14,400,450
<i>Direct Cost per Unit</i>		\$327,283	\$327,283	\$327,283	\$327,283
<b>Indirect Costs [6]</b>					
Architecture, Engineering and Consulting	8% of direct costs	\$1,152,036	\$1,152,036	\$1,152,036	\$1,152,036
Public Permits and Fees	\$20,000 per unit	\$880,000	\$880,000	\$880,000	\$880,000
Taxes, Insurance, Legal and Accounting	3% of direct costs	\$432,014	\$432,014	\$432,014	\$432,014
Community Benefit		\$635,000	\$635,000	\$635,000	\$635,000
Marketing	\$2,500 per unit	\$110,000	\$110,000	\$110,000	\$110,000
Developer Fee	5% of direct costs	\$720,023	\$720,023	\$720,023	\$720,023
Soft Cost Contingency	5% of other indirect costs	\$196,454	\$196,454	\$196,454	\$196,454
<i>Total Indirect Cost</i>		\$4,125,526	\$4,125,526	\$4,125,526	\$4,125,526
<i>Indirect Cost per Unit</i>		\$93,762	\$93,762	\$93,762	\$93,762
<b>Financing Costs [7]</b>					
Interest During Construction		\$946,000	\$946,000	\$946,000	\$946,000
Loan Origination Fee		\$268,000	\$268,000	\$268,000	\$268,000
<i>Total Financing Cost</i>		\$1,214,000	\$1,214,000	\$1,214,000	\$1,214,000
<i>Financing Cost per Unit</i>		\$27,591	\$27,591	\$27,591	\$27,591
Total Cost of Development		\$25,589,976	\$25,589,976	\$25,589,976	\$25,589,976
Total Cost/Unit (rounded)		\$581,590	\$581,590	\$581,590	\$581,590
<b>Maximum Supported Home Price</b>					
Household Income [8]		\$50,700	\$81,100	\$83,500	\$104,325
Revenue to Property Owner/Year [9]		\$15,210	\$24,330	\$25,050	\$31,298
(less) Operating Expenses per Unit/Year [10]		(\$6,000)	(\$6,000)	(\$10,000)	(\$10,000)
Net Operating Income		\$9,210	\$18,330	\$15,050	\$21,298
Capitalization Rate [11]		4.4%	4.4%	4.4%	4.4%
Total Supportable Unit Value [12]		\$209,318	\$416,591	\$342,045	\$484,034
<b>Affordability Gap</b>		<b>(\$372,272)</b>	<b>(\$164,999)</b>	<b>(\$239,545)</b>	<b>(\$97,556)</b>

[1] Based on Keyser Marston Associates' estimated development costs for rental units using mixed-use zoning @ 65 units/acre with community benefits + density bonus + inclusionary housing - 15% affordable units (see Keyser Marston Associates Inclusionary Housing Feasibility Study Appendix B Exhibit II)  
 [2] Keyser Marston Associates' pro forma assumes a mix of studio, one-, two-, and three-bedroom units. This analysis converts all leasable square footage to two-bedroom units in accordance with the assumptions for a three-person household given under the California Health and Safety Code 50052.5  
 [3] Based on Keyser Marston Associates' assumptions, derived from survey of land sales for similar developments between 2016 and 2019  
 [4] All direct costs assumptions are based on Keyser Marston Associates' pro forma, which are derived from estimated direct costs of similar developments  
 [5] Keyser Marston Associates assumes two parking spots per two-bedroom unit  
 [6] All indirect costs assumptions are based on those in Keyser Marston Associates' pro forma, which are derived from estimates for similar developments  
 [7] Financing cost assumptions are based on Keyser Marston Associates' pro forma. KMA assumes an average interest rate of 3.6%, and a loan origination fee of 2.0 points at 60% loan-to-value  
 [8] Based on 2020 income limits for a three-person household Los Angeles County  
 [9] Based on Keyser Marston Associates' assumption that Culver City households allocate 30% of income to housing costs  
 [10] Operating expenses are generally based on data reported by CoStar and reflective of properties in Los Angeles County. Estimates are inclusive of management, maintenance, common utility, and property tax costs, except Very Low and Low properties which are exempt from property taxes  
 [11] The capitalization rate is used to determine the current value of a property based on estimated future operating income, and is typically a measure of estimated operating risk. The capitalization rate used in this analysis is based on recent CoStar reported transaction data in the Culver City submarket.  
 [12] The total supportable unit value is determined by dividing the net operating income by the capitalization rate.

Sources: Keyser Marston Associates; Economic & Planning Systems, Inc.

## Fee Calculation

**Tables 9** through **14** provide the maximum nonresidential housing fee calculations for each of the six land use categories.

The fee is calculated by the following steps:

1. Estimate the number of new households by income category generated by a prototype 100,000-square foot building in the land use category.
2. Multiply the number of households generated by the per-unit affordability gap (as calculated in **Table 8**) to determine the level of subsidy required to provide housing in Culver City for all new worker households.
3. Divide the total affordability gap by 100,000 square feet (the size of the prototype building) to determine a maximum fee per building square foot.

The fee calculated in the following tables represents the maximum justifiable linkage fee that the City can charge for each land use category based on the required nexus findings. The City may, however, decide to adopt fees below the maximum justifiable levels based on economic or policy considerations. Such fee reductions should be considered in conjunction with the availability of alternative sources of funding for developing affordable housing units.

**Table 9 Fee Calculation – Retail/Restaurant**

<b>Item</b>	<b>Worker Households per 100k sq. ft.</b>	<b>Affordability Gap per household</b>	<b>Total Gap</b>
<i>Table References:</i>			
	<i>Table 7</i>	<i>Table 8</i>	
<b>Aggregate Financing Gap per 100K Sq. Ft</b>			
<b>Affordability Level</b>			
Very Low Income	47	\$372,272	\$17,496,792
Low Income	45	\$164,999	\$7,424,975
Moderate	0	\$239,545	\$0
<b>Total</b>	<b>92</b>		<b>\$24,921,767</b>
<b>Fee Calculation</b>			
		<i>formula</i>	
Total Financing Gap		<i>a</i>	\$24,921,767
Total Building Sq. Ft.		<i>b</i>	100,000
<b>Maximum Fee per Sq. Ft.</b>		<i>c = a / b</i>	<b>\$249.22</b>

Source: Economic & Planning Systems, Inc.

**Table 10 Fee Calculation – Office**

<b>Item</b>	<b>Worker Households per 100k sq. ft.</b>	<b>Affordability Gap per household</b>	<b>Total Gap</b>
<i>Table References:</i>			
	<i>Table 7</i>	<i>Table 8</i>	
<b>Aggregate Financing Gap per 100K Sq. Ft</b>			
<b>Affordability Level</b>			
Very Low Income	2	\$372,272	\$744,544
Low Income	99	\$164,999	\$16,334,945
Moderate	0	\$239,545	\$0
<b>Total</b>	<b>101</b>		<b>\$17,079,489</b>
<b>Fee Calculation</b>			
		<i>formula</i>	
Total Financing Gap		<i>a</i>	\$17,079,489
Total Building Sq. Ft.		<i>b</i>	100,000
<b>Maximum Fee per Sq. Ft.</b>		<b><i>c = a / b</i></b>	<b>\$170.79</b>

Source: Economic & Planning Systems, Inc.

**Table 11 Fee Calculation – Industrial/Warehouse/Manufacturing**

<b>Item</b>	<b>Worker Households per 100k sq. ft.</b>	<b>Affordability Gap per household</b>	<b>Total Gap</b>
<i>Table References:</i>			
	<i>Table 7</i>	<i>Table 8</i>	
<b>Aggregate Financing Gap per 100K Sq. Ft</b>			
<b>Affordability Level</b>			
Very Low Income	0	\$372,272	\$0
Low Income	40	\$164,999	\$6,599,978
Moderate	0	\$239,545	\$0
<b>Total</b>	<b>40</b>		<b>\$6,599,978</b>
<b>Fee Calculation</b>			
		<i>formula</i>	
Total Financing Gap		<i>a</i>	\$6,599,978
Total Building Sq. Ft.		<i>b</i>	100,000
<b>Maximum Fee per Sq. Ft.</b>		<b><i>c = a / b</i></b>	<b>\$66.00</b>

Source: Economic & Planning Systems, Inc.

**Table 12 Fee Calculation – Media and R&D/Flex**

<b>Item</b>	<b>Worker Households per 100k sq. ft.</b>	<b>Affordability Gap per household</b>	<b>Total Gap</b>
<i>Table References:</i>			
	<i>Table 7</i>	<i>Table 8</i>	
<b>Aggregate Financing Gap per 100K Sq. Ft</b>			
<b>Affordability Level</b>			
Very Low Income	4	\$372,272	\$1,489,089
Low Income	6	\$164,999	\$989,997
Moderate	<u>2</u>	\$239,545	<u>\$479,090</u>
<b>Total</b>	<b>12</b>		<b>\$2,958,175</b>
<b>Fee Calculation</b>			
		<i>formula</i>	
Total Financing Gap		<i>a</i>	\$2,958,175
Total Building Sq. Ft.		<i>b</i>	100,000
<b>Maximum Fee per Sq. Ft.</b>		<i>c = a / b</i>	<b>\$29.58</b>

Source: Economic & Planning Systems, Inc.

**Table 13 Fee Calculation – Lodging**

<b>Item</b>	<b>Worker Households per 100k sq. ft.</b>	<b>Affordability Gap per household</b>	<b>Total Gap</b>
<i>Table References:</i>		<i>Table 7</i>	<i>Table 8</i>
<b>Aggregate Financing Gap per 100K Sq. Ft</b>			
<b>Affordability Level</b>			
Very Low Income	3	\$372,272	\$1,116,817
Low Income	83	\$164,999	\$13,694,954
Moderate	0	\$239,545	\$0
<b>Total</b>	<b>86</b>		<b>\$14,811,770</b>
<b>Fee Calculation</b>			
		<i>formula</i>	
Total Financing Gap		<i>a</i>	\$14,811,770
Total Building Sq. Ft. <sup>1</sup>		<i>b</i>	100,000
<b>Maximum Fee per Sq. Ft.</b>		<i>c = a / b</i>	<b>\$148.12</b>

Source: Economic & Planning Systems, Inc.



**Table 14 Fee Calculation – Assisted Living**

<b>Item</b>	<b>Worker Households per 100k sq. ft.</b>	<b>Affordability Gap per household</b>	<b>Total Gap</b>
<i>Table References:</i>			
	<i>Table 7</i>	<i>Table 8</i>	
<b>Aggregate Financing Gap per 100K Sq. Ft</b>			
<b>Affordability Level</b>			
Very Low Income	28	\$372,272	\$10,423,621
Low Income	22	\$164,999	\$3,629,988
Moderate	0	\$239,545	\$0
<b>Total</b>	<b>50</b>		<b>\$14,053,609</b>
<b>Fee Calculation</b>			
		<i>formula</i>	
Total Financing Gap		<i>a</i>	\$14,053,609
Total Building Sq. Ft.		<i>b</i>	100,000
<b>Maximum Fee per Sq. Ft.</b>		<i>c = a / b</i>	<b>\$140.54</b>

Source: Economic & Planning Systems, Inc.



## APPENDICES:

Appendix A: Assumptions and Sources

Appendix B: Occupation Distribution by  
Employment Category



APPENDIX A:  
Assumptions and Sources

**Table A-1**  
**Assumptions and Sources**  
**Culver City Commercial Linkage Fee Study; EPS #194059**

<b>Item</b>	<b>Total</b>	<b>Unit</b>	<b>Source</b>
<b>Demographic Assumptions</b>			
Total Employed	21,906 persons		American Community Survey 5-Year Estimates 2018
Households	16,502 households		American Community Survey 5-Year Estimates 2018
Households with Earnings	13,573 households		American Community Survey 5-Year Estimates 2018
Workers per Household with Workers	1.61 persons		American Community Survey 5-Year Estimates 2018
<b>Employment Density Assumptions</b>			
Retail/Restaurant (per sq.ft.)	550 sq. ft. per employee		Based on survey of Culver City employment hubs
Office (per sq. ft.)	250 sq. ft. per employee		Based on survey of Culver City employment hubs
Warehouse/Industrial/Manufacturing (per :	600 sq. ft. per employee		EPS; based on typical industry employment densities
Media Studio and R&D/Flex (per sq. ft.)	670 sq. ft. per employee		EPS; based on typical industry employment densities
Lodging (per sq. ft.)	654 sq. ft. per employee		Based on survey of Culver City employment hubs
Assisted Living (per sq. ft.)	1,000 sq. ft. per employee		EPA Space Use Information for Senior Care Facilities

Sources: U.S. Census American Community Survey 5-Year Estimates 2018; Environmental Protection Agency Space Use Information; and Economic & Planning Systems, Inc.



APPENDIX B:  
Occupation Distribution by Employment Category

**Table B-1**  
**Occupation and Wage Distribution - Retail/Restaurant**  
**Culver City Commercial Linkage Fee Study; EPS #194059**

**Retail/Restaurant**

Occupation Category	RETAIL/RESTAURANT [1]					
	US Total Jobs by Occupation in Industry	US Average Wage by Occupation in Industry	Los Angeles MSA Los Angeles County Wage Est. [2]	% of Industry Jobs in Occupation Category	HH Income at 1.61 workers/HH	Income Category
Management	810,250	\$86,507	\$95,843	2.71%	\$154,685	Above Moderate
Business and Financial Operations	238,590	\$62,910	\$67,049	0.80%	\$108,212	Above Moderate
Computer and Mathematical Science	57,560	\$80,127	\$86,001	0.19%	\$138,800	Above Moderate
Architecture and Engineering	5,230	\$75,994	\$87,041	0.02%	\$140,478	Above Moderate
Life, Physical, and Social Science	1,250	\$68,515	\$79,967	0.00%	\$129,062	Above Moderate
Community and Social Services	3,870	\$39,958	\$48,261	0.01%	\$77,890	Low
Legal Occupations	3,310	\$73,294	\$89,565	0.01%	\$144,553	Above Moderate
Education, Training and Library	11,980	\$38,277	\$47,323	0.04%	\$76,376	Low
Arts, Design, Entertainment, Sports, and Media	159,020	\$40,386	\$56,222	0.53%	\$90,738	Above Moderate
Healthcare Practitioner and Technical	546,430	\$66,905	\$80,498	1.83%	\$129,919	Above Moderate
Healthcare Support	98,170	\$38,509	\$38,616	0.33%	\$62,324	Low
Protective Services	98,610	\$34,734	\$43,163	0.33%	\$69,663	Low
Food Preparation and Serving	11,220,760	\$26,163	\$30,540	37.58%	\$49,290	Very Low
Buildings and Grounds Cleaning and Maintenance	183,410	\$28,004	\$33,293	0.61%	\$53,732	Low
Personal Care and Service	858,550	\$31,762	\$38,761	2.88%	\$62,559	Low
Sales and Related Occupations	9,284,790	\$30,408	\$33,762	31.09%	\$54,490	Low
Office and Administrative Support	1,704,040	\$35,095	\$40,838	5.71%	\$65,909	Low
Farming, Fishing and Forestry	21,100	\$30,534	\$34,435	0.07%	\$55,576	Low
Construction and Extraction	50,210	\$46,970	\$55,196	0.17%	\$89,083	Above Moderate
Installation, Maintenance, and Repair	873,110	\$43,361	\$49,268	2.92%	\$79,516	Low
Production	611,560	\$31,828	\$32,096	2.05%	\$51,801	Low
Transportation and Material Moving	3,019,450	\$28,756	\$29,643	10.11%	\$47,841	Very Low
<b>Total or Weighted Average</b>	<b>29,861,250</b>		<b>\$36,233</b>	<b>100.00%</b>	<b>\$58,478</b>	

[1] Includes NAICS Sectors: 44 and 45 - Retail Trade; 532000 - Rental and Leasing Services; 812000 - Personal and Laundry Services; and 722000 - Food Services and Drinking Places.

[2] Adjusted using factors calculated in Table 4.

Sources: US Bureau of Labor Statistics, May 2019 National Industry-Specific Occupational Employment and Wage Estimates; Economic & Planning Systems, Inc.

**Table B-2**  
**Occupation and Wage Distribution - Office**  
**Culver City Commercial Linkage Fee Study; EPS #194059**

<b>Office</b>
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Occupation Category	OFFICE [1]					
	US Total Jobs by Occupation in Industry	US Average Wage by Occupation in Industry	Los Angeles-Long Beach-Anaheim Los Angeles County Wage Est. [2]	% of Industry Jobs in Occupation Category	HH Income at 1.61 workers/HH	Income Category
Management	2,794,670	\$145,856	\$161,598	8.97%	\$260,809	Above Moderate
Business and Financial Operations	4,442,460	\$83,317	\$88,799	14.27%	\$143,316	Above Moderate
Computer and Mathematical Science	3,210,810	\$97,215	\$104,342	10.31%	\$168,401	Above Moderate
Architecture and Engineering	1,143,080	\$89,191	\$102,156	3.67%	\$164,874	Above Moderate
Life, Physical, and Social Science	414,250	\$82,122	\$95,848	1.33%	\$154,693	Above Moderate
Community and Social Services	67,980	\$51,978	\$62,778	0.22%	\$101,320	Above Moderate
Legal Occupations	834,720	\$112,531	\$137,514	2.68%	\$221,939	Above Moderate
Education, Training and Library	48,950	\$57,205	\$70,723	0.16%	\$114,143	Above Moderate
Arts, Design, Entertainment, Sports, and Media	975,770	\$70,085	\$97,565	3.13%	\$157,464	Above Moderate
Healthcare Practitioner and Technical	483,180	\$68,850	\$82,838	1.55%	\$133,695	Above Moderate
Healthcare Support	256,740	\$30,829	\$30,915	0.82%	\$49,895	Very Low
Protective Services	920,560	\$34,182	\$42,477	2.96%	\$68,556	Low
Food Preparation and Serving	179,630	\$28,304	\$33,039	0.58%	\$53,324	Low
Buildings and Grounds Cleaning and Maintenance	2,140,660	\$31,400	\$37,330	6.87%	\$60,249	Low
Personal Care and Service	206,330	\$29,334	\$35,798	0.66%	\$57,776	Low
Sales and Related Occupations	2,536,340	\$68,268	\$75,799	8.14%	\$122,335	Above Moderate
Office and Administrative Support	6,897,550	\$41,770	\$48,605	22.15%	\$78,445	Low
Farming, Fishing and Forestry	23,290	\$33,817	\$38,137	0.07%	\$61,551	Low
Construction and Extraction	316,040	\$50,590	\$59,449	1.01%	\$95,948	Above Moderate
Installation, Maintenance, and Repair	968,290	\$50,042	\$56,859	3.11%	\$91,768	Above Moderate
Production	954,460	\$34,820	\$35,114	3.07%	\$56,671	Low
Transportation and Material Moving	1,324,470	\$31,459	\$32,429	4.25%	\$52,338	Low
<b>Total or Weighted Average</b>	<b>31,140,230</b>		<b>\$77,530</b>	<b>100.00%</b>	<b>\$125,129</b>	

[1] Includes NAICS Sectors: 51 - Information; 52 - Finance and Insurance; 53 - Real Estate and Rental and Leasing (excluding 532000 - Rental and Leasing Services); 54 - Professional, Scientific, and Technical Services (excluding 541700 - Scientific Research and Development Services); 55 - Management of Companies and Enterprises; and 561000 - Admin. and Support Services.

[2] Adjusted using factors calculated in Table 4.

**Table B-3**  
**Occupation and Wage Distribution - Warehouse/Industrial/Manufacturing**  
**Culver City Commercial Linkage Fee Study; EPS #194059**

**Warehouse/Industrial/Manufacturing**

Occupation Category	INDUSTRIAL/WAREHOUSE/MANUFACTURING [1]					
	US Total Jobs by Occupation in Industry	US Average Wage by Occupation in Industry	Los Angeles MSA Los Angeles County Wage Est. [2]	% of Industry Jobs in Occupation Category	HH Income at 1.61 workers/HH	Income Category
Management	1,133,160	\$121,552	\$134,671	6.33%	\$217,351	Above Moderate
Business and Financial Operations	725,200	\$74,188	\$79,069	4.05%	\$127,613	Above Moderate
Computer and Mathematical Science	233,380	\$85,398	\$91,658	1.30%	\$147,931	Above Moderate
Architecture and Engineering	223,750	\$85,228	\$97,617	1.25%	\$157,548	Above Moderate
Life, Physical, and Social Science	45,430	\$77,668	\$90,650	0.25%	\$146,304	Above Moderate
Community and Social Services	910	\$61,390	\$74,146	0.01%	\$119,667	Above Moderate
Legal Occupations	8,060	\$136,865	\$167,251	0.05%	\$269,932	Above Moderate
Education, Training and Library	1,330	\$59,763	\$73,886	0.01%	\$119,248	Above Moderate
Arts, Design, Entertainment, Sports, and Media	98,130	\$52,838	\$73,557	0.55%	\$118,716	Above Moderate
Healthcare Practitioner and Technical	30,410	\$67,148	\$80,791	0.17%	\$130,392	Above Moderate
Healthcare Support	1,980	\$39,040	\$39,149	0.01%	\$63,183	Low
Protective Services	27,660	\$42,468	\$52,775	0.15%	\$85,176	Above Moderate
Food Preparation and Serving	11,660	\$28,700	\$33,502	0.07%	\$54,069	Low
Buildings and Grounds Cleaning and Maintenance	84,140	\$34,020	\$40,445	0.47%	\$65,276	Low
Personal Care and Service	2,560	\$31,085	\$37,934	0.01%	\$61,224	Low
Sales and Related Occupations	1,623,530	\$69,630	\$77,311	9.07%	\$124,776	Above Moderate
Office and Administrative Support	2,286,920	\$42,222	\$49,131	12.77%	\$79,295	Low
Farming, Fishing and Forestry	48,470	\$31,653	\$35,696	0.27%	\$57,611	Low
Construction and Extraction	4,698,860	\$52,884	\$62,146	26.25%	\$100,299	Above Moderate
Installation, Maintenance, and Repair	1,934,590	\$51,129	\$58,094	10.81%	\$93,761	Above Moderate
Production	674,010	\$45,687	\$46,072	3.76%	\$74,357	Low
Transportation and Material Moving	4,009,280	\$39,952	\$41,183	22.39%	\$66,467	Low
<b>Total or Weighted Average</b>	<b>17,903,420</b>		<b>\$62,228</b>	<b>100.00%</b>	<b>\$100,432</b>	

[1] Includes NAICS Sectors: 22 - Construction; 23 - Utilities; 42 - Wholesale Trade; 541700 - Scientific R&D Services; and 811000 - Repair and Maintenance; 493000 - Warehousing & Storage; and 484000 - Truck Transportation

[2] Adjusted using factors calculated in Table 4.



Table B-4

Occupation and Wage Distribution - Media and R&D/Flex  
Culver City Commercial Linkage Fee Study; EPS #194059

<b>Media and R&amp;D/Flex</b>
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Occupation Category	MEDIA AND R&D/FLEX [1]					
	US Total Jobs by Occupation in Industry	US Average Wage by Occupation in Industry	Los Angeles MSA Los Angeles County Wage Est. [2]	% of Industry Jobs in Occupation Category	HH Income at 1.61 workers/HH	Income Category
Management	138,570	168,722	186,933	10.3%	\$301,698	Above Moderate
Business and Financial Operations	96,810	88,048	93,840	7.2%	\$151,453	Above Moderate
Computer and Mathematical Science	98,640	110,018	118,083	7.3%	\$190,579	Above Moderate
Architecture and Engineering	105,730	108,610	124,397	7.8%	\$200,769	Above Moderate
Life, Physical, and Social Science	190,370	90,160	105,230	14.1%	\$169,835	Above Moderate
Community and Social Services	3,710	58,160	70,245	0.3%	\$113,371	Above Moderate
Legal Occupations	4,590	169,813	207,513	0.3%	\$334,913	Above Moderate
Education, Training and Library	6,330	75,216	92,990	0.5%	\$150,081	Above Moderate
Arts, Design, Entertainment, Sports, and Media	308,770	76,458	106,437	22.9%	\$171,784	Above Moderate
Healthcare Practitioner and Technical	17,290	72,400	87,110	1.3%	\$140,590	Above Moderate
Healthcare Support	5,870	37,180	37,283	0.4%	\$60,173	Low
Protective Services	4,550	51,375	63,843	0.3%	\$103,038	Above Moderate
Food Preparation and Serving	57,980	25,508	29,776	4.3%	\$48,057	Very Low
Buildings and Grounds Cleaning and Maintenance	5,930	31,379	37,306	0.4%	\$60,209	Low
Personal Care and Service	77,710	28,889	35,255	5.8%	\$56,899	Low
Sales and Related Occupations	55,140	62,101	68,952	4.1%	\$111,284	Above Moderate
Office and Administrative Support	104,870	49,332	57,404	7.8%	\$92,647	Above Moderate
Farming, Fishing and Forestry	1,150	37,120	41,862	0.1%	\$67,562	Low
Construction and Extraction	12,140	73,357	86,204	0.9%	\$139,128	Above Moderate
Installation, Maintenance, and Repair	13,040	61,422	69,790	1.0%	\$112,636	Above Moderate
Production	15,310	55,727	56,197	1.1%	\$90,698	Above Moderate
Transportation and Material Moving	23,920	49,720	51,252	1.8%	\$82,718	Moderate
<b>Total or Weighted Average</b>	<b>1,348,420</b>		<b>\$100,194</b>	<b>100.00%</b>	<b>\$161,706</b>	

[1] Includes NAICS Sectors: 512100, 515100 and 541700

[2] Adjusted using factors calculated in Table 4.

Sources: US Bureau of Labor Statistics, May 2019 National Industry-Specific Occupational Employment and Wage Estimates; Economic & Planning Systems, Inc.

**Table B-5**  
**Occupation and Wage Distribution - Lodging**  
**Culver City Commercial Linkage Fee Study; EPS #194059**

<b>Lodging</b>
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Occupation Category	LODGING [1]					
	US Total Jobs by Occupation in Industry	US Average Wage by Occupation in Industry	Los Angeles MSA Los Angeles County Wage Est. [2]	% of Industry Jobs in Occupation Category	HH Income at 1.61 workers/HH	Income Category
Management	91,380	\$83,380	\$92,379	4.31%	\$149,094	Above Moderate
Business and Financial Operations	35,440	\$57,260	\$61,027	1.67%	\$98,494	Above Moderate
Computer and Mathematical Science	4,140	\$64,130	\$68,831	0.20%	\$111,090	Above Moderate
Architecture and Engineering	790	\$65,820	\$75,388	0.04%	\$121,671	Above Moderate
Life, Physical, and Social Science	190	\$54,230	\$63,294	0.01%	\$102,153	Above Moderate
Community and Social Services	310	\$41,400	\$50,003	0.01%	\$80,701	Low
Legal Occupations	160	\$127,680	\$156,026	0.01%	\$251,816	Above Moderate
Arts, Design, Entertainment, Sports, and Media	7,760	\$50,060	\$69,689	0.37%	\$112,473	Above Moderate
Healthcare Practitioner and Technical	520	\$50,570	\$60,844	0.02%	\$98,199	Above Moderate
Healthcare Support	10,840	\$46,590	\$46,719	0.51%	\$75,402	Low
Protective Services	47,010	\$33,890	\$42,115	2.22%	\$67,971	Low
Food Preparation and Serving	532,780	\$31,820	\$37,144	25.12%	\$59,948	Low
Buildings and Grounds Cleaning and Maintenance	578,600	\$28,000	\$33,288	27.28%	\$53,726	Low
Personal Care and Service	171,560	\$30,510	\$37,233	8.09%	\$60,092	Low
Sales and Related Occupations	64,080	\$41,850	\$46,467	3.02%	\$74,994	Low
Office and Administrative Support	378,340	\$30,230	\$35,177	17.84%	\$56,773	Low
Farming, Fishing and Forestry	1,040	\$31,700	\$35,749	0.05%	\$57,697	Low
Construction and Extraction	5,320	\$51,440	\$60,449	0.25%	\$97,560	Above Moderate
Installation, Maintenance, and Repair	115,840	\$38,830	\$44,120	5.46%	\$71,207	Low
Production	46,130	\$28,150	\$28,387	2.17%	\$45,815	Very Low
Transportation and Material Moving	29,090	\$29,430	\$30,337	1.37%	\$48,962	Very Low
<b>Total or Weighted Average</b>	<b>2,121,320</b>		<b>\$39,337</b>	<b>100.00%</b>	<b>\$63,487</b>	

[1] Includes NAICS Sector: 721000 - Accommodation.

[2] Adjusted using factors calculated in Table 4.

Sources: US Bureau of Labor Statistics, May 2019 National Industry-Specific Occupational Employment and Wage Estimates; Economic & Planning Systems, Inc.

Table B-6

Occupation and Wage Distribution - Assisted Living  
Culver City Commercial Linkage Fee Study; EPS #194059

<b>Assisted Living</b>
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Occupation Category	ASSISTED LIVING [1]					
	US Total Jobs by Occupation in Industry	US Average Wage by Occupation in Industry	Los Angeles MSA Los Angeles County Wage Est. [2]	% of Industry Jobs in Occupation Category	HH Income at 1.61 workers/HH	Income Category
Management	32,940	85,700	94,950	3.5%	\$153,243	Above Moderate
Business and Financial Operations	9,650	58,030	61,848	1.0%	\$99,819	Above Moderate
Computer and Mathematical Science	730	63,200	67,833	0.1%	\$109,479	Above Moderate
Architecture and Engineering	0	0	0	0.0%	\$0	
Life, Physical, and Social Science	50	75,360	87,956	0.0%	\$141,956	Above Moderate
Community and Social Services	7,300	46,660	56,356	0.8%	\$90,955	Above Moderate
Legal Occupations	0	0	0	0.0%	\$0	
Education, Training and Library	170	33,690	41,651	0.0%	\$67,223	Low
Arts, Design, Entertainment, Sports, and Media	990	58,000	80,742	0.1%	\$130,313	Above Moderate
Healthcare Practitioner and Technical	101,860	56,020	67,402	10.8%	\$108,782	Above Moderate
Healthcare Support	424,730	27,680	27,757	44.9%	\$44,798	Very Low
Protective Services	5,690	31,110	38,660	0.6%	\$62,395	Low
Food Preparation and Serving	170,540	27,230	31,786	18.0%	\$51,301	Low
Buildings and Grounds Cleaning and Maintenance	57,130	27,140	32,266	6.0%	\$52,075	Low
Personal Care and Service	41,490	33,160	40,467	4.4%	\$65,312	Low
Sales and Related Occupations	4,630	54,420	60,423	0.5%	\$97,519	Above Moderate
Office and Administrative Support	48,750	35,080	40,820	5.1%	\$65,881	Low
Farming, Fishing and Forestry	60	26,280	29,637	0.0%	\$47,832	Very Low
Construction and Extraction	650	45,290	53,221	0.1%	\$85,896	Above Moderate
Installation, Maintenance, and Repair	23,920	39,580	44,972	2.5%	\$72,582	Low
Production	5,200	26,590	26,814	0.5%	\$43,276	Very Low
Transportation and Material Moving	10,150	30,330	31,265	1.1%	\$50,459	Very Low
<b>Total or Weighted Average</b>	<b>946,630</b>		<b>\$37,959</b>	<b>100.00%</b>	<b>\$61,264</b>	

[1] Includes NAICS Sectors: 632300 and 632900

[2] Adjusted using factors calculated in Table 4.

Sources: US Bureau of Labor Statistics, May 2019 National Industry-Specific Occupational Employment and Wage Estimates; Economic & Planning Systems, Inc.