



City of West Covina

Landscape Maintenance Districts 4, 6 and 7

FISCAL YEAR 2023/2024
CONSOLIDATED ENGINEER'S REPORT

Intent Meeting: June 20, 2023
Public Hearing: July 18, 2023



ENGINEER'S REPORT AFFIDAVIT

Landscape Maintenance Districts 4, 6 and 7

City of West Covina County of Los Angeles, State of California

This Consolidated Engineer's Report describes Districts 4, 6 and 7 including the improvements, budgets, parcels, and assessments to be levied for Fiscal Year 2023/2024 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the Districts. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____, 2023.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of West Covina

By: _____

Chonney Gano
Project Manager

By: _____

Tyrone Peter
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I. OVERVIEW

A. INTRODUCTION

The City of West Covina (“City”), under the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code (“1972 Act”) and the provisions of the California Constitution Article XIII D (“Constitution”), annually conducted a public hearing and levies and collects special assessments in order to provide and maintain the facilities, improvements and services for the districts designated as:

Landscape Maintenance Districts (“Districts”)

The City formed the following districts:

- ***Landscape Maintenance District No. 4 (“LMD 4”) (Formed in 1975)***
- ***Landscape Maintenance District No. 6 (“LMD 6”) (Formed in 1980)***
- ***Landscape Maintenance District No. 7 (“LMD 7”) (Formed in 1980)***

The Districts were created at the request of the owner of the developments in lieu of forming a Homeowner’s Association. The funds collected by LMD 4 are used to maintain landscaping, irrigation, hardscape, and paseo lighting on 130 acres of public open space within the boundaries of LMD 4. The funds collected by LMD 6 are used to maintain landscaping and irrigation in public open space areas within its boundaries. The funds collected by LMD 7 are used to maintain landscaping and irrigation in public open space areas within its boundaries.

For Fiscal Year 2023/2024, Zone A10 was created in LMD 4 for exempt properties.

This Engineer’s Report (“Report”) has been prepared pursuant to Chapter 1, Article 4 and Chapter 3 of the 1972 Act, and presented to the City Council for their consideration and approval of the proposed improvements and services to be provided within the Districts; and the levy and collection of the annual assessments for Fiscal Year 2023/2024.

This Report describes the Districts, the improvements, and the proposed assessments to be levied against properties in connection with the benefits the properties will receive from the maintenance and servicing of the Districts improvements for Fiscal Year 2022/2023. The annual assessments to be levied on properties within the Districts provide a funding source for the continued operation and maintenance of local landscape improvements installed in connection with the development of properties within the Districts. Each fiscal year, the City establishes the District’s assessments based on an estimate of the costs to maintain, operate and service the landscape improvements and based upon available revenues including fund balances, City contributions and assessment limits. The costs of the

improvements and the proposed annual assessments budgeted and assessed against properties within the Districts may include: the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the Districts; deficits or surpluses from prior years; revenues from other sources; and the collection of adequate funds for operational reserves or periodic expenditures including installments collected for long-term improvement projects. Each parcel is assessed proportionately for only those improvements, services, and expenses for which the parcel will receive special benefit.

For the purposes of this Report, the word “parcel” refers to an individual property assigned its own Assessor Parcel Number by the Los Angeles County Assessor’s Office. The Los Angeles County Auditor/Controller uses Assessor Parcel Numbers and specific Fund Numbers to identify properties assessed for special district benefit assessments on the tax roll.

At a noticed annual Public Hearing, the City Council will accept all public comments and written protests regarding the Districts and the annual levy of assessments. Upon conclusion of the Public Hearing, the City Council will consider all public comments and review the Report. The City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and confirmation of the assessments the Council will, by Resolution, order the improvements to be made and confirm the levy and collection of assessments pursuant to the 1972 Act. The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel.

While the budgets outlined in this Report reflect the estimated costs necessary to fully and adequately provide for the maintenance and operation of the improvements within the Districts, many of these estimated costs and associated services cannot be funded by the current assessment revenues. To fully fund the improvements, it will be necessary to increase assessment revenues which will require the support of the property owners for new or increased assessments through a ballot proceeding conducted under the provisions of the California Constitution Article XIID.

B. COMPLIANCE WITH CURRENT LEGISLATION

On November 5, 1996, California voters approved Proposition 218 (The Right to Vote on Taxes Act) (“Prop 218”) that established specific requirements for the ongoing imposition of taxes, assessments, and fees. The provisions of this proposition are now contained in the California Constitution as Articles XIIC and XIID can be summarized in four general areas:

1. Strengthens the general and special tax provisions of Proposition 13 and Proposition 62.

2. Extends the initiative process to all local taxes, assessments, fees, and charges.
3. Adds substantive and procedural requirements to assessments.
4. Adds substantive and procedural requirements to property-related

Prop 218 required that beginning July 1, 1997, all new and existing assessments (with some exceptions) must conform to new substantive and procedural requirements. However, certain assessments are exempted from these requirements until they are increased.

Generally, these exemptions include:

- (a) Assessments used exclusively to fund sidewalks, streets, sewers, water, flood control, drainage systems, or vector control.
- (b) Assessments imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed.
- (c) Assessments used exclusively for bond repayments, the cessation of which would violate the Contract Impairment Clause of the U.S. Constitution.
- (d) Assessments previously approved by a majority of voters.

LMD 4 and the related assessments were established in 1975 at the request of the owner of the property, the initial LMD 4 assessments were not required to conform with the Article XIID substantive and procedural requirements. The maximum assessment rate for LMD 4 at the time of the passage of Prop 218 was \$464.00 previously approved by the City Council in Fiscal Year 1989/1990. For Fiscal Year 2023/2024 a Land Use audit was completed to ensure all land use classes will be assessed based on the methodology in place for the District.

LMD 6 and the related assessments were established in 1980 at the request of the owner of the property, the initial LMD 6 assessments were not required to conform with the Article XIID substantive and procedural requirements. The maximum assessment rate for LMD 6 at the time of the passage of Prop 218 was \$650.00 previously approved by the City Council in Fiscal Year 1984/1985.

LMD 7 and the related assessments were established in 1980 at the request of the owner of the property, the initial LMD 7 assessments were not required to conform with the Article XIID substantive and procedural requirements. The maximum assessment rate for LMD 7 at the time of the passage of Prop 218 was \$644.00 previously approved by the City Council in Fiscal Year 1985/1986.

Any subsequent increases to the above-mentioned Districts assessments above the maximum rate previously approved by City Council prior to November 5, 1996

will be subject to the procedures and approval process of Section 4 of Article XIID of the California Constitution. There will be no assessment on any parcel that was not charged after the passage of Proposition 218 unless that new assessment was from a parcel change from a previously assessed parcel.

II. PLANS AND SPECIFICATIONS

A. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT

As applicable or may be applicable to the Districts, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing, or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting, and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.

- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

B. DISTRICT OVERVIEW

Landscape Maintenance District No. 4

LMD 4 is located in the southeasterly part of the City of West Covina. The District consists of residential, commercial properties and approximately 130 acres of public open space. The District contains relatively narrow street right-of-ways and small lot sizes as well as landscaped slope areas and park-like "green belt" areas containing walkways, landscaping, and lighting.

Zones of Benefit

The parcels, lots, subdivisions and developments within the LMD 4 are identified and grouped into ten (10) zones of benefit referred to as "Zones". Each Zone reflects the landscape improvements associated with the development of properties in that Zone, in order to fairly and equitably apportion the net cost of providing those improvements to the properties that receive special benefits from the service and activities associated with those improvements. Most of the parcels in the District are identified as single-family and multi-family residential properties. All parcels receive special benefits from the improvements because of the increased desirability of a parcel that is located in an area with landscaping, and open space areas. Public agency parcels within the District will not be used for residential occupancies or commercial/industrial workplaces, and therefore, do not receive special benefit and will not be assessed. The assessments proposed to be levied on each property do not exceed the reasonable cost of proportional special benefit conferred on each property from the funded improvements.

The following is a brief description of the District Zones:

Zone A1

Parcels in this zone are commercial properties, which are located at the intersections of major arterial roadways. These parcels benefit from the District improvements to a lesser degree due to their proximity to the open space areas. Nonetheless, the parcels are benefited by aesthetically pleasing landscaping and open space areas which enhance the desirability of living in the District, because its promotion of evening business and industry vitality, and contribution to a positive nighttime visual image.

Zone A2

Parcels in this zone are condominium type homes with open space areas located along the fringes of the zone. Due to the nature and higher density of the parcels and the higher intensity of the property use, the parcels derive benefits such as providing a more peaceful and relaxed lifestyle due to the surrounding open space areas. Each parcel is assessed per dwelling unit.

Zone A3

Parcels in this zone are made up of condominiums and apartment complexes with smaller areas of open space within the zone. Due to the denser housing within this zone, Zone A3 is distinctly benefited by the interspersed open space areas within the zone. Although open space areas are smaller than in other zones, the incorporation of such areas into Zone A3's higher-intensity property uses peculiarly benefits Zone A3's parcels by providing aesthetically pleasing landscaping and enhancing the desirability of living in Zone A3. Each parcel is assessed per dwelling unit.

Zone A4

Parcels in this zone are condominium type homes. The open space areas are in close proximity to the condominiums in this zone, thus providing the zone's parcels with benefits such as the enhancement of quality of life within the community characterized by openness, landscape and natural vistas, wildlife and relaxed, peaceful living. Each parcel is assessed per dwelling unit.

Zone A5

Parcels in this zone are made up of detached single-family homes with large open space areas in close proximity. Zone A5 parcels derive a benefit particular to their zone, based on the significant size and proximity of the open space areas to the parcels. The large open spaces in the vicinity of the parcels contribute to lower housing density due to the dedication of acreage for landscaping and natural areas, which thereby reduce the number of buildable parcels. Each parcel is assessed per dwelling unit.

Zone A6

Parcels in this zone are made up of detached single-family homes with open space areas located along the fringes of the zone. Having the open space areas along the perimeter of the zone is advantageous to the parcels within Zone A6 due to the open space areas' positive results on the parcels, such as attracting natural flora and fauna, providing a more peaceful and relaxed lifestyle. Each parcel is assessed per dwelling unit.

Zone A7

Parcels in this zone are made up of detached single-family homes. The open space areas are in close proximity to the single-family homes. These open space areas are connected with paseos that include concrete walkways and lights. These paseos provide for safe pedestrian travel within the zone and into adjacent Zone A9. Each parcel is assessed per dwelling unit.

Zone A8

Parcels in this zone are made up of fourplexes with open space areas located along the fringes of the zone that provide a barrier from the major arterial roadway. The strategic location of open space areas at the fringe create an aesthetically pleasing yet practical perimeter around the zone, which provides a more peaceful and relaxed lifestyle by attracting natural flora and fauna to Zone A8 parcels which,

because of the close proximity to major arterial roadways, would not otherwise receive such benefit. Moreover, the higher-intensity property use receives a significant benefit from the natural vistas and landscaping provided by the open space areas. Each parcel is assessed per dwelling unit.

Zone A9

Parcels in this zone are made up of duplexes. The open space areas are in close proximity to the duplexes and are connected by paseos. The paseos are improved with concrete walkways and lights. These paseos provide for safe pedestrian travel within the zone and into adjacent Zone A7 and promote social interaction. Each parcel is assessed per dwelling unit.

Zone A10

Parcels in this zone are made up of exempt properties. Exempted parcels include all publicly owned property that do not benefit from the District Improvements such as: public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, all public easements, and right-of-ways, all public parks, public greenbelts and parkways, and all public property being used for public purposes.

Landscape Maintenance District No. 6

LMD 6 is located in the easterly end of the City known as South Hills on the westerly-facing slopes of the San Jose Hills. The District contains 238 single-family dwellings, approximately 12 acres of landscaped and irrigated area, and approximately 65 acres of natural area.

Landscape Maintenance District No. 7

LMD 7 is generally located in the easterly end of the City on the north-facing slopes of the San Jose Hills. Currently, the District contains 372 developed single-family residential parcels, approximately 19.5 acres of landscaped and irrigated areas and 92 acres of natural area that is only 98 percent developed. When development is 100 percent complete, the District will contain 380 developed single family-residential parcels, 25 acres of landscaped and irrigated area, and 105 acres of natural area.

LMD 7 contains zone classifications based on development status. Zone C1 consists of undeveloped parcels. Zone C2 consists of developed parcels. These properties receive the greater benefit from the services provided.

C. DESCRIPTION OF DISTRICT IMPROVEMENTS

Landscape Maintenance District No. 4

The existing facilities to be maintained and serviced in LMD 4 include public open space area, lighting, parkway, and manufactured slopes and appurtenant facilities. There are approximately 130 acres of open space within the District. LMD 4

contains lighted paseos and approximately 30 to 50-foot landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5 feet of fire clearing at the tops and toes of slopes and irrigation maintenance repairs.

The District will fund the costs in connection with the district maintenance and servicing including, but not limited to, personnel, electrical energy, water, materials, contracting services, and other expenses necessary for the satisfactory operation of these facilities. The facilities and improvements which have been constructed within the District and which will be maintained and serviced are described as follows:

Landscaping and Appurtenant Facilities

Facilities include but are not limited to landscaping, planting, shrubbery, trees, irrigation system, hardscape, fixtures, sidewalk maintenance resulting from landscape growth and appurtenant facilities, in public right-of-way, parkways, and dedicated easements within the boundaries of said District.

Lighting and Appurtenant Facilities

Facilities include but are not limited to poles, fixtures, bulbs, conduits, conductors, equipment including guys, anchors, posts and pedestals, metering devices and appurtenant facilities as required to provide lighting in the public right-of-way and dedicated easements within the boundaries of said District.

The detailed plans and specifications of the District improvements are on file in the office of the City Public Works Department and by reference are made part of this Report.

Landscape Maintenance District No. 6

The existing facilities to be maintained and serviced in LMD 6 include public open space, manufactured slopes, and appurtenant facilities. There are approximately 12 acres of landscaped and irrigated area and 65 acres of natural open space within the District. LMD 6 contains approximately 30 to 50-foot landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5-feet of fire clearing at the tops and toes of slopes and irrigation maintenance repairs.

The District will fund the costs in connection with the District maintenance and servicing including, but not limited to, personnel, electrical energy, water, materials, contracting services, and other expenses necessary for the satisfactory operation of these facilities. The facilities are described as follows:

Landscaping and Appurtenant Facilities

Facilities include but are not limited to trees, irrigation system, hardscape, fixtures, sidewalk maintenance resulting from landscape growth and appurtenant facilities, in open spaces and dedicated easements within the boundaries of the District.

The detailed plans and specifications of the District improvements are on file in the office of the City Public Works Department and by reference are made part of this Report.

Landscape Maintenance District No. 7

The existing facilities to be maintained and serviced in LMD 7 include public open spaces and manufactured slopes and appurtenant facilities. Upon completion, the District will contain 25 acres of landscaped and irrigated areas and 105 acres of natural open space. LMD 7 contains landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5 feet of fire clearing at the tops and toes of slopes and irrigation maintenance and repairs.

The District will fund the costs in connection with the District maintenance and servicing including, but not limited to, personnel, electrical energy, water, materials, contracting services, and other expenses necessary for the satisfactory operation of these facilities. The facilities are described as follows:

Landscaping and Appurtenant Facilities

Facilities include but are not limited to trees, irrigation system, hardscape, fixtures, sidewalk maintenance resulting from landscape growth and appurtenant facilities, in public open space areas and dedicated easements within the boundaries of the District.

The detailed plans and specifications of the District Improvements are on file in the office of the City Public Works Department and by reference are made part of this Report.

///. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping, and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

Section 22573 defines the net amount to be assessed as follows:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

Furthermore, Article XIII D Section 4 of the Constitution states that:

“The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of the public improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided.”

The formula used for calculating assessments reflects the composition of the parcels and the improvements and services provided within the Districts to fairly apportion the costs based on estimated special benefit to each parcel.

B. BENEFIT ANALYSIS

Each of the improvements, the associated costs and assessments of the Districts have been reviewed, identified, and allocated based on special benefit pursuant to the provisions of the Constitution and 1972 Act. The improvements associated with each District have been identified as necessary, required and/or desired for the orderly development of the properties within the Districts to their full potential, consistent with the proposed development plans and applicable portions of the development. As such, these improvements would be necessary and required of individual property owners for the development of such properties, and the ongoing operation, servicing and maintenance of these improvements would be the financial obligation of those properties. Therefore, the improvements and the annual costs of ensuring the maintenance and operation of the improvements are of special benefit to the properties in the Districts.

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the Districts receives special benefit from the improvements where the parcel is located as well as from adjacent landscaping and public street lighting improvements. The desirability and security of properties

is enhanced by the presence of street lighting, well maintained landscaping and open space areas in close proximity to those properties.

The special benefits of landscaping and open space improvements within the Districts are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space, open space areas, and landscaping.
- Environmental enhancement through improved erosion resistance, dust and debris control, and fire prevention.
- Increased sense of pride in ownership of property within the Districts resulting from well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the Districts through well-maintained surroundings and amenities including abatement of graffiti.
- Enhanced environmental quality of the parcels by moderating temperatures, providing oxygenation, and attenuating noise.

The special benefits of street lighting are the convenience, safety, and security of property, improvements, and goods. Specifically:

- Enhanced deterrence of crime and the aid to police protection.
- Increased nighttime safety on roads and streets.
- Improved ability of pedestrians and motorists to see.
- Improved ingress and egress to property.
- Reduced vandalism and other criminal act and damage to improvements or property.
- Improved traffic circulation and reduced nighttime accidents and personal property loss.
- Increased promotion of business during nighttime hours in the case of commercial properties.

The preceding special benefits contribute to a special enhancement and desirability of each of the assessed parcels within the Districts. Although the improvements may include landscaping and lighting improvements and other amenities available or visible to the public at large, the construction and installation of these improvements are only necessary for the development of properties within

the Districts and are not required nor necessarily desired by any properties or developments outside the Districts boundary. Therefore, any public access or use of the improvements by others is incidental and there is no measurable general benefit to properties outside the Districts or to the public at large.

C. ASSESSMENT METHODOLOGY

The method of apportionment for the Districts calculates the receipt of special benefit from the respective improvements based on the actual or proposed land use of the parcels. The special benefit received by each lot or parcel is equated to the overall land use of the parcel based on the parcel's actual land use or proposed planned development and is reliant upon the special benefit received from the improvements planned for each District.

To identify and determine the special benefit to be received by each parcel, it is necessary to consider the entire scope of each District improvements as well as individual property development within the Districts. The costs associated with the improvements shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with the Constitution, each parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred to that parcel. The benefit formula used to determine the assessment obligation is therefore based upon both the improvements that benefit the parcels as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

Assessment Units

To assess benefits equitably, it is necessary to relate the different type of parcel improvements to each other. The Assessment Unit ("AU") method of assessment apportionment uses the single-family home site as the basic unit of assessment. A single-family home site equals one AU. Every other land use is converted to AUs based on an assessment formula that equates the property's specific development status, type of development (land use), and size of property, as compared to a single-family home site.

The AU method of apportioning benefit is typically seen as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefit to each parcel from the improvements are apportioned as a function of land use type, size, and development.

The following formula is used to calculate each parcel's AU (proportional benefit) for LMD 4 and LMD 6.

$$\text{Parcel Type AU} \times \text{Acreage/Dwelling Units/Parcel/Lot} = \text{Parcel AU}$$

The total number of Assessment Units ("AU's") is the sum of the individual AUs applied to the parcels that receive a special benefit from the improvements. An assessment amount per AU ("Rate") is established by taking the total cost of the

improvements (including administration costs) and dividing that amount by the total number of AUs of the parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual AU to determine the parcel's proportionate benefit and assessment obligation.

$$\text{Total Balance to Levy} / \text{Total AU} = \text{Rate per AU}$$

$$\text{Rate per AU} \times \text{Parcel AU} = \text{Parcel Levy Amount}$$

Landscape Maintenance District No. 4

Single-Family Residential – This land use is defined as fully subdivided residential home site with or without a structure or planned single-family residential lot as identified by a submitted or approved tentative tract map or final tract map. This land use is assessed, 1.0 AU per lot or parcel. This is the base value that other land use types are compared and weighted against (i.e., Assessment Unit or AU).

Multi-Family Residential – This land use is defined as a fully subdivided residential parcels that includes duplexes, apartments and condominiums identified by a submitted or approved tentative tract map or final tract map. This land use is assessed, 1.0 AU per dwelling unit.

Developed Commercial – This land use is defined as property developed for either commercial or industrial use. This type of property receives greater benefit than Single Family or Multi-Family property due to typically larger lot size in relation to residential properties. The commercial properties within Zone A1 are grouped into three different areas with predesignated assessment units at the time of formation. For any newly developed commercial properties, they will be assessed, 4.0 AU per acreage with a minimum of 4.0 AU.

Exempt Parcels – This land use identified properties that are not assessed and are assigned 0.0 AU. This land use classification may include, but is not limited, to lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space area and right-of-ways; common areas, sliver parcels and bifurcated lots or any other property that cannot be developed; park properties and other publicly owned properties that are part of the District improvements and are therefore exempted from assessment.

The following table provides a listing of land use types, land use code designations, the Equivalent Benefit Unit factor applied to that land use type, and the multiplying factor used to calculate each parcel's individual AU.

Land Use Codes and Assessment Units

Property Type	Land Use Code	Assessment Units	Multiplier
Single Family Residential	SFR	1.00	Lot/Parcel
Multi-Family Residential	MFR	1.00	Unit
Developed Commercial	COM	4.00	Acre
Exempt Parcel	EXE	0.00	Parcel

The benefit formula applied to parcels within LMD 4 is based on the preceding AU table. Each parcel's AU correlates the parcel's special benefit received as compared to the other parcels benefiting from the improvements.

The following table summarizes the assessment rates for LMD 4.

**City of West Covina
Landscape Maintenance District No. 4
FY 2023/2024 Preliminary Assessment Summary and Comparison**

Zone	% of Budget	Parcel Count	Assessment Units	FY 2022/23 Assessment Rates	FY 2023/24 Proposed Assessment Rates	Total Assessment
A1	1.91%	31	451.00	\$49.16	\$49.16	\$22,171.16
A2	1.45%	216	216.00	\$77.89	\$77.89	16,824.24
A3	5.74%	326	1,353.00	\$49.33	\$49.33	66,743.49
A4	9.96%	498	498.00	\$232.48	\$232.48	115,775.04
A5	3.52%	157	157.00	\$260.98	\$260.98	40,973.86
A6	6.13%	246	246.00	\$289.99	\$289.99	71,337.54
A7	44.98%	1,503	1,503.00	\$348.02	\$348.02	523,074.06
A8	15.69%	118	472.00	\$386.66	\$386.66	182,503.52
A9	10.61%	133	266.00	\$464.00	\$464.00	123,424.00
A10	0.00%	2	0.00	\$0.00	\$0.00	0.00
Total	100.00%	3,230	5,162.00			\$1,162,826.91

BENEFIT ZONE LEGEND

- A1 Commercial Property
- A2 Condos (Triangle Area, East of Azusa Ave. and north of Woodgrove Park)
- A3 Condos Minimum Maintenance Benefit
- A4 Condos Medium Maintenance Benefit
- A5 Single Family Triangle Area (Special Area, West of Azusa Ave and north of Amar Rd.)
- A6 Single Family Medium Maintenance Benefit
- A7 Single Family Maximum Maintenance Benefit
- A8 Fourplex Minimum Maintenance Benefit
- A9 Duplex Minimum Maintenance Benefit
- A10 Exempt Parcels

Landscape Maintenance District No. 6

Single-Family Residential – This land use is defined as fully subdivided residential home site with or without a structure or planned single-family residential lot as identified by a submitted or approved tentative tract map of final tract map. This land use is assessed, 1.0 AU per lot or parcel. This is the base value that other land use types are compared and weighted against (i.e., Assessment Unit or AU).

The following table summarizes the assessment rates for Single Family Residential properties in LMD 6 and compares the proposed assessment with last year's assessment.

**City of West Covina
Landscape Maintenance District No. 6
FY 2023/2024 Preliminary Assessment Summary and Comparison**

Land Use Class	Parcel Count	AU	FY 2022/2023 Assessment Rate	FY 2023/2024 Proposed Assessment Rate	Total Assessment
Single Family Residential	238	238.00	\$650.00	\$650.00	\$154,700.00
Total	238	238.00			\$154,700.00

Landscape Maintenance District No. 7

The following table summarizes the different assessment rates for the different zone classifications in LMD 7 and compares the proposed assessment with the prior year's assessment.

**City of West Covina
Landscape Maintenance District No. 7
FY 2023/2024 Preliminary Assessment Summary and Comparison**

Zone	Parcel Count	FY 2022/2023 Assessment Rate	FY 2023/2024 Proposed Assessment Rate	Total Assessment
C1	8	\$139.22	\$139.22	\$1,113.76
C2	372	\$464.06	\$464.06	172,630.32
Total	380			\$173,744.08

IV. ESTIMATE OF COSTS

The 1972 Act provides that the estimated costs of the improvements shall include the total cost of the improvements, including incidental expenses.

The 1972 Act also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within each District are the total cost of maintenance, and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

A. CAPITAL IMPROVEMENT FUND

For Fiscal Year 2023/2024, there are no capital improvements for any of the Districts.

Projects		
District	Description	Estimated Costs
LMD 4	Replacement of hardscape, repair and replacement of light standards and conversion of existing light fixtures to LED fixtures; as well as comprehensive tree removal and replacement.	\$250,000
LMD 6		\$100,000
LMD 7		\$100,000

B. PROPOSED INCREASE SCOPE OF WORK

Located in the budgets is the proposed increase in scope of maintenance work at optimal levels for the Districts.

Landscape Maintenance District No. 4

LMD 4 contains lighted paseos and approximately 30 to 50-foot landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5 feet of fire clearing at the tops and toes of slopes and irrigation maintenance repairs. Increased scope of work for LMD 4 is recommended to include the modification of the paseo lighting to LED for energy cost savings, repair and replacement of light standards, hardscape repair and replacement of off-grade, cracked and broken areas, tree trimming of the hillside trees on a trimming cycle, and landscape maintenance including trash removal and clearing of the hillside plants and shrubbery. It is estimated that the budget required for the increased lighting, hardscape, and landscaping scope is approximately double the existing budget.

Landscape Maintenance District No. 6

LMD 6 contains approximately 30 to 50-foot landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5-feet of fire clearing at the tops and toes of slopes and irrigation maintenance repairs. Increased scope of work for

the LMD 6 is recommended to include the repair and replacement of light standards, hardscape repair and replacement of off-grade, cracked and broken areas, tree trimming of the hillside trees on a trimming cycle, and landscape maintenance including trash removal and clearing of the hillside plants and shrubbery. It is estimated that the budget required for the increased lighting, hardscape, and landscaping scope is approximately double the existing budget.

Landscape Maintenance District No. 7

LMD 7 contains landscaped hillside slopes vegetated with plants, shrubbery, and trees. The current scope of work for the operations, maintenance, and care of these areas include 3 to 5 feet of fire clearing at the tops and toes of slopes and irrigation maintenance and repairs. Increased scope of work for LMD 7 is recommended to include tree trimming of the hillside trees on a trimming cycle and landscape maintenance including trash removal and clearing of the hillside plants and shrubbery. It is estimated that the budget required for the increased and landscaping maintenance and operations scope is approximately double the existing budget.

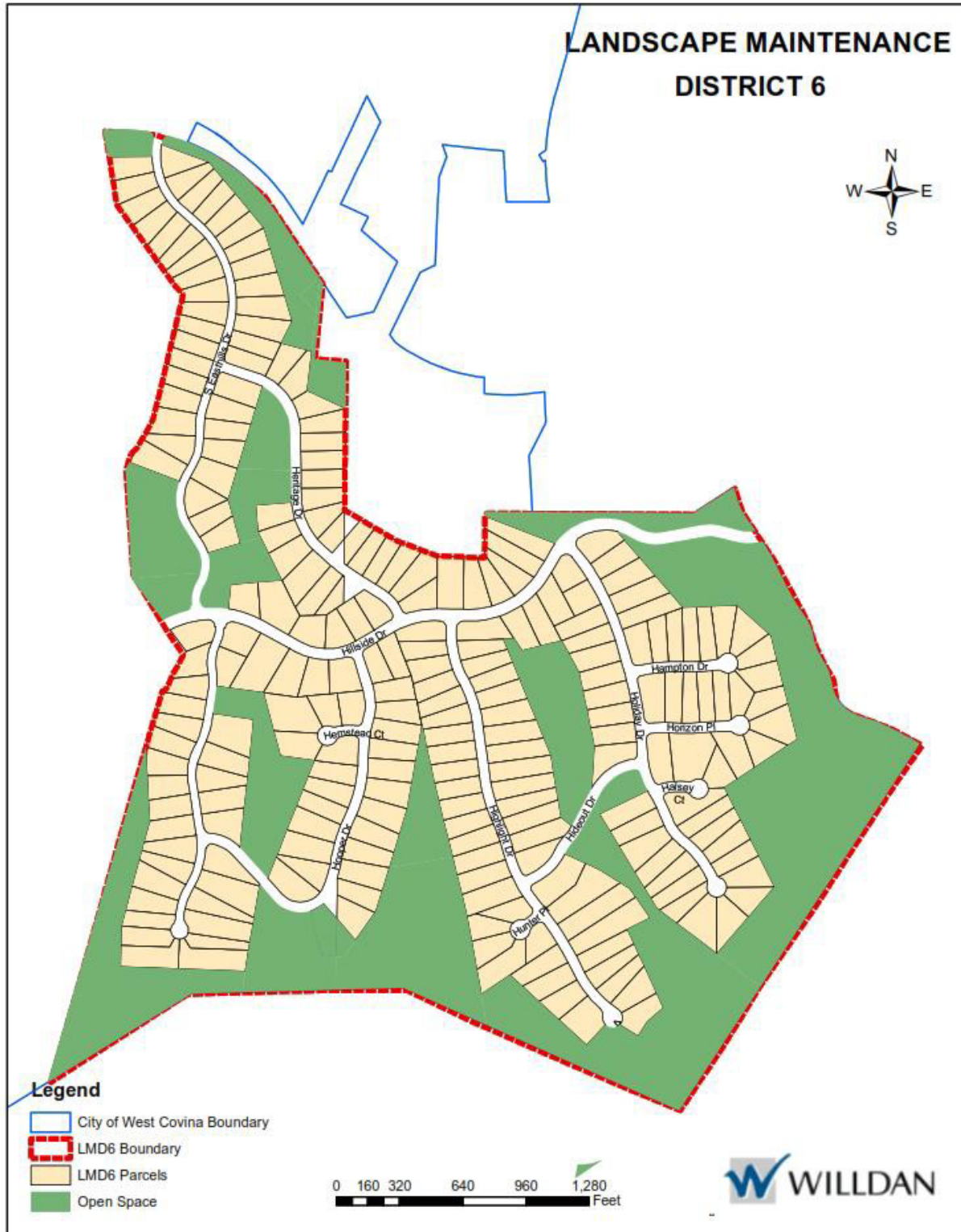
C. SUMMARY OF COSTS

Levy Component	LMD 4		LMD 6		LMD 7	
	Existing Maintenance	Optimal Maintenance	Existing Maintenance	Optimal Maintenance	Existing Maintenance	Optimal Maintenance
DIRECT COSTS						
Personnel Services	\$100,456	\$200,911	\$38,401	\$76,802	\$100,309	\$200,618
Maintenance Contracts	577,352	1,154,704	161,100	322,200	95,437	190,874
Utilities (electricity & water)	655,026	1,310,051	68,163	136,325	54,022	108,044
Maintenance Supplies	35,014	70,028	0	0	0	0
Property and Liability Insurance	6,116	12,232	13,531	27,062	11,024	22,047
NPDES	75,000	150,000	5,000	10,000	5,000	10,000
Capital Improvement Project	250,000	500,000	100,000	200,000	100,000	200,000
Total Direct Costs	\$1,698,963	\$3,397,927	\$386,194	\$772,389	\$365,792	\$731,584
ADMINISTRATION COSTS						
Levy Administration and Professional Services	\$3,993	\$3,993	\$2,320	\$2,320	\$2,345	\$2,345
County Collection Fee	857	857	50	50	145	145
City Overhead and Administration	154,184	308,368	36,382	72,763	43,584	87,168
Total Administration Costs	\$159,034	\$313,218	\$38,752	\$75,133	\$46,074	\$89,658
COLLECTIONS/(CREDITS) APPLIED TO LEVY						
TOTAL DIRECT AND ADMIN COSTS	\$1,857,997	\$3,711,145	\$424,946	\$847,522	\$411,866	\$821,242
Reserve Collection/(Transfer)	(\$445,170)	(\$2,048,318)	(\$170,246)	(\$492,822)	(\$138,122)	(\$447,498)
Capital Improvement Fund Collection/(Transfer)	(250,000)	(500,000)	(100,000)	(200,000)	(100,000)	(200,000)
General Benefit Contribution	0	0	0	0	0	0
General Fund/Other Revenue (Contributions)	0	0	0	0	0	0
Total Collections/(Credits)	(\$695,170)	(\$2,548,318)	(\$270,246)	(\$692,822)	(\$238,122)	(\$647,498)
Balance to Levy (Budgeted)	\$1,162,827	\$1,162,827	\$154,700	\$154,700	\$173,744	\$173,744
FUND BALANCE INFORMATION						
Estimated Beginning Fund Balance	\$2,186,547	\$2,186,547	\$275,169	\$275,169	\$403,355	\$403,355
Reserve Fund Adjustments	(445,170)	(2,048,318)	(170,246)	(492,822)	(138,122)	(\$162,351)
Interest	17,960	17,960	2,060	2,060	3,130	3,130
1911 Act District Adjustments	9,000	9,000	0	0	0	0
Capital Improvement Adjustments	(250,000)	(500,000)	(100,000)	(200,000)	(100,000)	(200,000)
Estimated Ending Reserve Balance	\$1,518,337	(\$334,811)	\$6,983	(\$415,593)	\$168,363	\$244,134

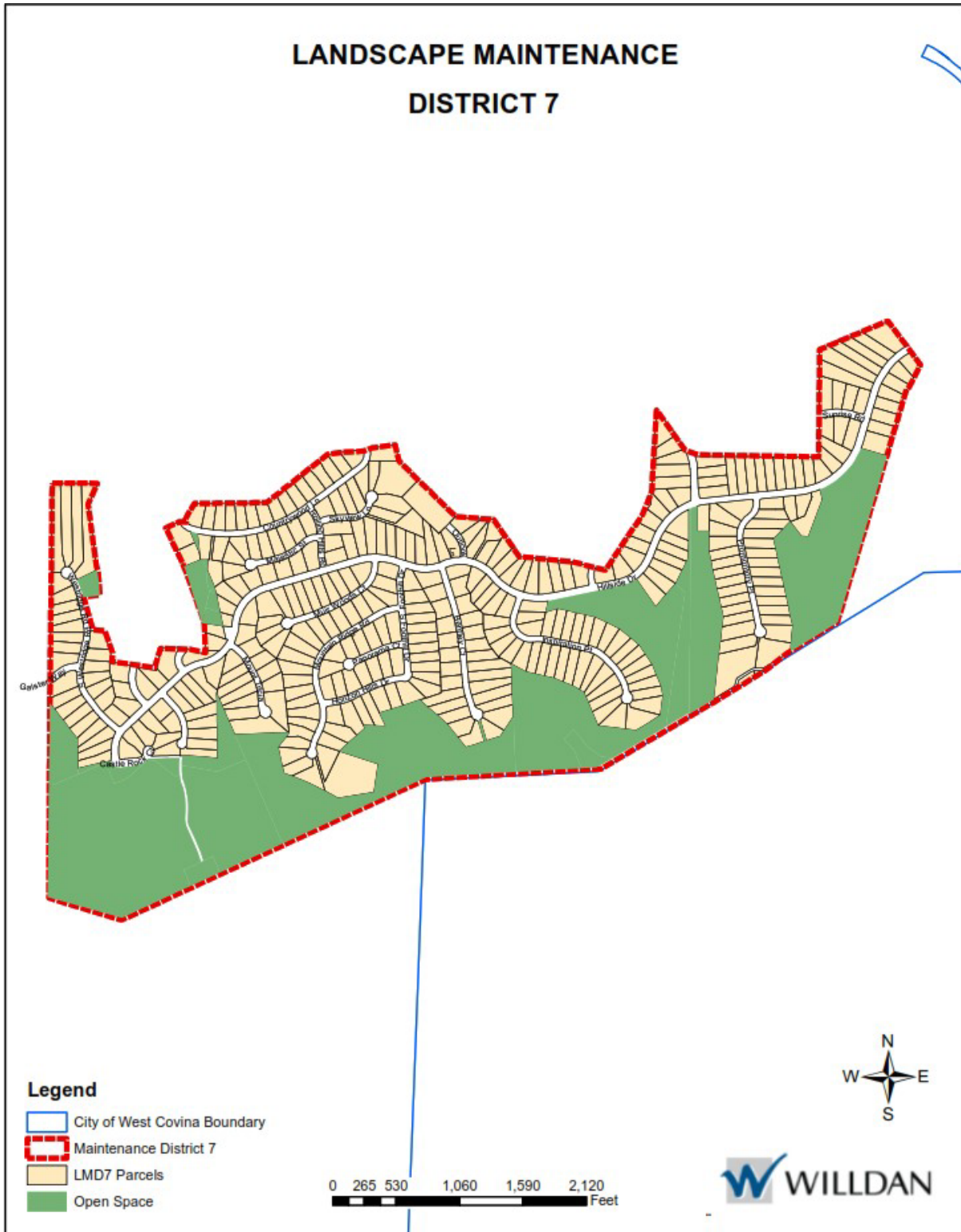
V. DISTRICT BOUNDARY DIAGRAMS

A diagram showing the exterior boundaries of the Districts, boundaries of any open space within the Districts, and the lines and dimensions of each lot or parcel of land within the Districts is on file in the office of the City Public Works Department and incorporated herein by reference. The lines and dimensions shown on the Los Angeles County Assessor's parcel maps for the current year are incorporated by reference and made part of this Report.





LANDSCAPE MAINTENANCE DISTRICT 7



VI. ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the Districts, shall be the parcel as shown on the Los Angeles County Assessor Parcel Maps and/or the Los Angeles County Secured Tax Roll for the year in which this Report is prepared. The proposed assessment for each parcel within the Districts has been prepared in accordance with the assessment rates presented in the budget and the method of apportionment described in this report and has been presented to the City Clerk under a separate cover.

Non-assessable lots or parcels may include government owned land; public utility owned property, land principally encumbered with public right-of-ways or easements and dedicated common areas.

The assessment information for each parcel as outlined in this Report and confirmed by the City Council, shall be submitted to the County Auditor/Controller, and included on the property tax roll for fiscal year 2023/2024. If the parcels or assessment numbers within the Districts and referenced by this Report are re-numbered, re-apportioned or changed by the County Assessor's Office after approval of the Report, the new parcel or assessment numbers with the appropriate assessment amount will be submitted to the County Auditor/Controller. If the parcel change made by the County includes a parcel split, parcel merger or tax status change, the assessment amount submitted on the new parcels or assessment numbers will be based on the method of apportionment and assessment rates approved in this Report by the City Council.