

Engineer's Report

Fiscal Year 2026-2027

City of West Covina

Citywide Lighting and Maintenance District

Prepared For



July 2026



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i. Engineer's Statement_____

AGENCY: CITY OF WEST COVINA
PROJECT: CITYWIDE LIGHTING AND MAINTENANCE DISTRICT
TO: CITY COUNCIL
CITY OF WEST COVINA
STATE OF CALIFORNIA

Report Pursuant to "Landscaping and Lighting Act of 1972"

Pursuant to direction from the City Council (the "City Council") of the City of West Covina (the "City"), State of California, submitted herewith is the Engineer's Report for the Citywide Lighting and Maintenance District (the "Report"), consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California, being the "Landscaping and Lighting Act of 1972" (the "1972 Act"), as amended, commencing with Section 22500, and which is in accordance with Resolution No. 2026-68 adopted by the City Council, Los Angeles County, California ordering the preparation of the Report for Citywide Lighting and Maintenance District (the "District" or "Citywide LMD"). This Report is applicable for the ensuing 12-month period, being the Fiscal Year commencing July 1, 2026, to June 30, 2027.

- SECTION 1** **PLANS AND SPECIFICATIONS** of the improvements to be maintained and/or improved for Fiscal Year 2026-2027. The plans and specifications show and describe the existing improvements and are sufficient in showing and describing the general nature, location, and extent of the improvements.
- SECTION 2** A **COST ESTIMATE** of the improvements to be maintained and-or improved for the mentioned Fiscal Year.
- SECTION 3** The **METHOD OF APPORTIONMENT** showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries as shown in Appendix B.
- SECTION 4** An **ASSESSMENT ROLL** showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the boundaries of the District, as shown in Appendix B.
- SECTION 5** An **ASSESSMENT DIAGRAM** of the District. Said Diagrams shall show the boundaries of the District. Reference is made to the Los Angeles County (the "County") Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the Fiscal Year to which the Report applies.

i. Engineer's Statement _____

I, Matthew E. Webb, a Professional Civil Engineer (employed at Albert A. Webb Associates and retained through an agreement between Webb Municipal Finance, LLC and my employer), acting on behalf of the City of West Covina, pursuant to the Act do hereby assess and apportion the total amount of the costs and expenses upon the parcels of land within Citywide Lighting and Maintenance District liable therefore and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance, works of improvement, and appurtenances.

Executed this 30th day of June 2026.



ALBERT A. WEBB ASSOCIATES

A handwritten signature in black ink, appearing to read "Matthew E. Webb", written over a horizontal line.

MATTHEW E. WEBB
PROFESSIONAL CIVIL ENGINEER NO. 37385
ENGINEER OF WORK
ON BEHALF OF THE CITY OF WEST COVINA
STATE OF CALIFORNIA

Final approval, confirmation and levy of the annual assessment and all matters in the Engineer's Report were made on the _____ day of _____ 2026, by adoption of Resolution No. _____ by City Council.

CITY CLERK
CITY OF WEST COVINA
STATE OF CALIFORNIA

A copy of the Assessment Roll and Engineer's Report was filed in the City Clerk's Office on the _____ day of _____ 2026.

CITY CLERK
CITY OF WEST COVINA
STATE OF CALIFORNIA

WHEREAS, on July 7, 2026, the City Council, under the Act, adopted its Resolution Initiating Proceedings for the Levy and Collection of Assessments and the Preparation of an Engineer's Report for the Citywide LMD;

Whereas, the Resolution of Intention directed Webb Municipal Finance, LLC, to prepare and file a report presenting plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operation and servicing of the improvements for the Citywide LMD for the referenced Fiscal Year, a diagram for the Citywide LMD showing the area and properties to be assessed, and an assessment of the estimated costs of the maintenance, operation and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the Citywide LMD in proportion to the special benefit received;

Overview

The purpose of this report is to set forth findings and the engineering analysis for the City of West Covina Citywide Lighting and Maintenance District for Fiscal Year 2026-27, in compliance with the requirements of Article 4, Chapter 1, of the Landscaping and Lighting Act of 1972 (the "1972 Act") which is Part 2, Division 15 of the California Streets and Highways Code (The "Act"). The District is necessary to finance the cost of providing streetlight and street tree maintenance which provides a special benefit to real property in the City.

The 1972 Act permits the establishment of assessment districts by cities for the purpose of providing for the maintenance of certain public improvements, which include the facilities existing within the proposed assessment district. In accordance with this Act, the City Council established the District in 1976 pursuant to the Act. Prior to Fiscal Year ("FY") 1997-98 the District funded a variety of public improvements and services which included: street tree maintenance, median maintenance, park maintenance, municipal pool maintenance, area lighting maintenance, traffic signal maintenance, traffic engineering, and street lighting engineering. Since the passage of Proposition 218 ("Proposition") in November 1996 and the subsequent property owner approval in July 1997, the District assessment currently funds only those services that have been designated as a "Special Benefit", which is the maintenance of most of the streetlights and street trees within the City. These funds are used for the operations and maintenance of streetlights, trimming of street trees, and removal and replacement of diseased street trees.

In FY 2017-18, the City conducted a property owner protest ballot proceeding for a proposed Maximum Assessment increase of 12%. Based on the results of the protest ballot, the City Council declined to adopt the new Maximum Assessment increase.

The costs of operation, maintenance and servicing of improvements to be funded by the District will be apportioned to each parcel in proportion to the special benefit it receives. The method of assessment may be amended, subject to the requirements of Proposition 218, from time to time by the City Council, in order to apportion the costs in relation to the benefits being received. Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this Report.

As required by the Act, this Engineer's Report describes the improvements to be constructed, operated, maintained and serviced by the District for FY 2026-27, provides an estimated budget for the District, and lists the proposed assessments to be levied upon each assessable lot or parcel within the District. Following the approval of the preliminary report, either as submitted or as modified, the City Council will hold a Public Hearing to provide an opportunity for any interested person to be heard. All property owners must be noticed in accordance with Section 22626 of the Streets and Highways Code prior to the Public Hearing. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified.

Following the adoption of this resolution, the final assessor's roll will be prepared and filed with the County Tax Collector's office to be included on the FY 2026-27 tax roll.

The existing facilities to be maintained and serviced include street lighting facilities and street trees.

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 Improvements

Facilities include but are not limited to 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 the District.

Lighting Improvements

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 the District.

The public lighting system shall be maintained to provide adequate illumination. Electricity for streetlights shall be furnished by the Southern California Edison Company, and it shall be adequate for the intended purpose. Rates for power shall be those authorized by the California Public Utilities Commission.

“Maintenance” means the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the landscaping, public lighting facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping, public lighting facilities or appurtenant facilities; providing for the life, growth, health, and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, and treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste.

“Servicing” means the furnishing of water for the irrigation of landscaping and the maintenance of any of the public lighting facilities and furnishing of electrical energy for the public lighting facilities or for the lighting or operation of landscaping or appurtenant facilities.

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.

The 1972 Act provides that the total cost of installation, construction, operation, maintenance and servicing of street lighting and landscaping can be recovered by the District. Maintenance can include the repair and replacement of existing facilities. Servicing can include electrical and associated costs from a public utility. Incidental expenses, including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual collection process can also be included.

The 1972 Act requires that a special fund be set up to track the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance or deficit remaining on June 30th must be carried over to the next fiscal year unless they are designated for a special purpose.

The estimated costs of the operation, servicing and maintenance of the improvements for Fiscal Year 2026-27, are summarized in the table on the following page.

Table 2-1
Citywide Lighting and Maintenance District
Fiscal Year 2026-27
Cost Estimates

Budget Item	Total
Beginning Fund Balance	\$232,091
Revenues	
Assessments	\$1,933,267
Interest	\$15,100
General Fund	\$373,000
Total Projected Revenue	\$2,321,367
Expenditures	
Direct Costs	
Personnel Services	\$106,364
Maintenance Contracts	\$415,375
Utilities	\$1,660,762
Maintenance Supplies	\$40,743
Property & Liability Insurance	\$161,280
Total Direct Costs	\$2,384,524
Administrative Costs	
Levy Admin & Professional Services	\$75,020
City Overhead & Administration	\$700
Total Administrative Cost	\$75,720
Total Expenditures	\$2,460,244
Ending Fund Balance (estimated)	\$93,214

Budget Item	Total
Beginning Fund Balance	\$232,091
Revenues	
Assessments	\$1,933,267
Interest	\$15,100
General Fund	\$373,000
Total Projected Revenue	\$2,321,367
Expenditures	
Direct Costs	
Direct Lighting	\$1,561,643
Zone A	\$58,383
<u>Zone B</u>	<u>\$29,709</u>
Subtotal	\$1,649,735
Street Trees	
<u>Direct Street Trees</u>	<u>\$810,509</u>
Subtotal	\$810,509
Total Expenditures	\$2,460,244
Ending Fund Balance (estimated)	\$93,214

Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of assessment districts by Agencies for the purpose of providing certain public improvements which include construction, operation, maintenance and servicing of streetlights, traffic signals, landscaping, parks and recreation facilities.

Section 22573 of the Landscape and Lighting Act of 1972 requires that maintenance assessments be levied according to benefit rather than according to assessed value. This section states:

"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.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000)) [of the Streets and Highways Code, State of California]."

The Act permits the designation of benefit zones within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement" (Sec. 22547). Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax." Exempted from the assessment would be the areas of all publicly owned property in use in the performance of a public function.

Special Benefit Determination

The assessment is proposed to be levied to defray the cost of the operation, servicing, and maintenance of street trees and street lighting and appurtenant facilities, including but not limited to, personnel, electrical energy, utilities such as water, materials, contracting services, and other items necessary for the satisfactory operation of these services.

Street Lighting Benefit

Proper maintenance and operation of the street lighting system benefits all properties within the District by providing security, safety and community character and vitality as outlined below.

1. Security and Safety Benefit. Mitigates crime, alleviates the fear of crime, and enhances pedestrian safety.
2. Community Character and Vitality Benefit. Promotes social interaction, promotes business and industry, and contributes to a positive nighttime visual image.
3. Lighting Intensity Benefit. As the lighting levels increase, so do the benefits associated with the lighting. Lighting standards usually require approximately twice the level of lighting in commercial/industrial areas than in residential areas.

Parcels, which are located on streets with streetlights, receive a special lighting benefit. Parcels which are located on private streets receive a substantially reduced benefit from local lighting, parcels which do not have any local streetlights receive no benefit from street lighting.

Lighting at the street intersection, which is defined as safety lighting, is considered to be the minimum lighting requirement for vehicular safety; therefore, safety lighting represents the general benefit portion of street lighting. Additionally, lights, which are on arterials of the City, which do not have parcels fronting on them, are considered a general benefit. Those general benefit portions of the City's lighting budget will not be assessed.

Benefit Zones - Street Lighting

Most parcels within the City front streets with streetlights and therefore receive a direct lighting benefit. However, there are some areas in the City, which have a higher level of lighting, and these have been designated as additional Benefit Zones.

Zone A - The Civic Center and Plaza at West Covina areas receive a higher level of street lighting.

Zone B - The properties along Glendora Avenue from Walnut Creek Parkway to the I-10 Freeway receive a higher level of street lighting than Zone A.

Those parcels which also have public lighting in adjacent alleyways receive an equal amount of benefit for the alley lights as for the streetlights, therefore, these parcels are assessed two times the benefit of the basic local lighting. The parcels that front streets without streetlights do not receive a local lighting benefit and therefore are not assessed.

Street Trees

Trees, landscaping, hardscaping and appurtenant facilities, if well maintained, provide beautification, shade and enhancement of the desirability of the surroundings.

The City maintains street trees throughout the City. The trees are located within the public right-of-way and provide an aesthetically pleasing environment, shade, beautification, and according to some authorities' air purification and sound attenuation. These positive attributes increase the desirability of properties located on streets that have trees on them.

More importantly, proper maintenance of these facilities, especially routine trimming of street trees and removal/replacement of deceased trees, is essential to the safety of adjacent properties.

Parcels that are located on streets which do not have trees do not benefit and are not assessed. Street trees on arterials of the City that do not have parcels fronting on them are considered a general benefit. There are approximately seven hundred and eighty-four (784) such trees out of approximately twenty-seven thousand forty-eight (27,048) street trees in the City, or 2.90%. Therefore, 2.90% of the City street tree budget will be funded through the City's General Fund account.

Assessment Methodology

The method of apportionment utilized for the District 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 or existing within the 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.

Equivalent Dwelling Units

Since the assessments will be levied against parcels of property as shown on the tax rolls, the final charges must be assigned by Assessor's Parcel Number. If assessments were to be spread just by parcel, not considering land use or parcel size, a single-family parcel would be paying the same as a fifty (50) unit apartment parcel or a large commercial establishment in a similar zone and this would not be equitable and would not satisfy the Proposition 218 requirements.

The single-family residential parcel has been selected as the basic unit for calculation of assessment and is defined as one Equivalent Dwelling Unit ("EDU"). A methodology has been developed to calculate the EDUs for other residential land uses and for non-residential parcels. Every land-use is converted to EDUs: parcels containing apartments are converted to EDUs based on the number of dwelling units on each parcel of land; commercial and industrial parcels are converted based on the lot size of each parcel of land.

The EDU method is seen as the most appropriate and equitable method of spread for landscape and lighting districts, as the benefit to each parcel from the improvements are apportioned as a function of land-use type and size.

Single-Family Residential - The single-family residential parcel has been selected as the basic unit for calculation of the benefit assessment. The basic unit shall be called an Equivalent Dwelling Unit (EDU). Parcels zoned for single-family residential use are assessed 1.00 EDU.

Multi-Family Residential - Multiple residential (including condominiums) land use equivalencies are determined based on the number of dwelling units on each parcel. Due to population density and size of structure relative to the typical single-family residence, each dwelling unit defined as multi-family residential, including condominiums, would be 0.75 EDU. Benefits to a multi-family residential property do not increase proportionately as the number of units increase. Therefore, the population per unit decreases as the residential land use density increases and there is a corresponding reduction in benefit to a parcel. Also, as the number of dwelling units increases, the average value per rental unit decreases. Therefore, there is a reduced benefit to a parcel as the number of dwelling units increases. By decreasing the equivalency as the number of units increases, a reasonable benefit assessment is achieved. Therefore, the equivalency is reduced to 0.50 EDU per dwelling unit, for five (5) through fifteen (15) dwelling units (as parcels with 5 to 15 units are considered "high medium density" as opposed to the "low density" of duplexes, triplexes and fourplexes), and the equivalency is reduced to 0.25 EDU per dwelling unit for more than 15 units, which are considered to be "high density". Fifteen units are established as the limit of the "high medium density" category as State law (California Title 25, Section 42) requires that apartment complexes with 16 or more dwelling units have a manager located on the premises, which is an indication of "high density".

Mobile Homes - Mobile home parks, and mobile homes located within mobile home parks, are converted to EDUs based on the population density and size of structure relative to a single-family residence. Therefore, mobile home parks and mobile homes located within mobile home parks would be assessed 0.50 EDU per mobile home. No decrease would be applied to this factor, as mobile homes are all separate dwellings with no common walls.

Non-Residential - In converting improved non-residential properties to EDUs, the factor used is the City of West Covina's average density for single-family residential areas, which are five (5) dwelling units per acre. All properties developed for non-residential uses are therefore assigned 5.00 EDUs per acre for the first five (5) acres. It is our experience, based upon a review of large non-residential parcels, that the utilization of that portion of non-residential property greater than 5 acres more closely resembles that of vacant land as it is typically undeveloped. Therefore, after the first 5 acres, each additional acre will be charged 25% of 5.00 EDUs which results in 1.25 EDUs per acre, similar to vacant land as described below.

Vacant Property

Vacant property is described as parcels with no improved structures. These properties receive benefits based on their land, as this is the basis of their value. Based on the opinions of professional appraisers, appraising current market property values for real estate in Southern California, the land value portion of the property typically ranges from 20 to 30 percent of the property's total value. Additionally, the utilization of vacant property is significantly less than improved property, and vacant property has a traffic generation rate of 0. Therefore, it is recommended that vacant property be assessed at the rate of 25 percent of improved property.

Vacant Residential - Parcels defined as residential parcels, which do not have structures on the parcels, are assessed 25% of the parcel with a single-family dwelling thereon. The parcel will be assessed 0.25 EDU per parcel. Vacant Non-Residential Parcels are defined as parcels which are not residential parcels, and which do not have structures on the parcel area assessed based upon the acreage of the parcel. The parcels will be assessed at the rate of 25% of the developed non-residential properties, or 1.25 EDU per acre or any portion thereof, with a minimum of 0.25 EDU per parcel and up to a maximum of 5 acres (6.25 EDUs) per parcel, as parcels over five (5) acres may be considered as open space and no longer receive any benefit.

Public Property - Article XIID of the California Constitution requires that all benefiting public properties be assessed for their fair share of the benefit. Public property, which is developed and used for residential, or business purposes, will be assessed the same as private property with the same use. Schools will be assessed as Commercial/Industrial uses. Parks will be assessed as vacant property.

Exempt - Excepted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements, and right-of-way, public greenbelts, parkways and that portion of property that is not developed and used for business purposes similar to private commercial, industrial and institutional activities. Also, excepted from assessments would be utility right-of-way, common areas (such as in condominium complexes), landlocked parcels and small parcels vacated by the City as these parcels have little or no value and therefore do not benefit from the improvements.

The land use classification for each parcel has been based on the Los Angeles County Assessor's Roll.

Table 3-1
Land Use Codes and Equivalent Dwelling Units

Land Use Codes	Total EDU		
Single-Family Residential	1.00 per unit		
Condominium	0.75 per unit		
Multi-Family Residential	0.75 per unit for the first 4 units	0.50 per unit over the 4 and up to 15 units	0.25 per unit over 15 units
Mobile Home Parks	0.50 per DU		
Non-Residential	5.00 per acre for the first 5 acres	1.25 per acre over 5 acres	
Vacant Residential	0.25 per parcel		
Vacant Non-Residential	1.25 per acre (5 acre maximum)		

Benefit Factors

There are varying levels of benefit to property from the operation and maintenance of street lighting and street trees based on the different types of property use. Because the benefit to the property varies depending on the type of land use of the property, a Benefit Factor is applied to the EDU formula for each property for each type of improvement to obtain Benefit Units for each Property.

$(\text{Equivalent Dwelling Unit}) \times (\text{Benefit Factor}) = \text{Benefit Units}$

The following table outlines the Benefit Factors for street lighting:

Table 3-2
Street Lighting Benefit Factors

	Residential	Commercial/Industrial
Security & Safety	1	1
Community Character & Vitality	1	1
Lighting Intensity	1	2
Total	3	4

Schools will receive a residential benefit factor, as they tend to be in residential areas and benefit similarly to residential property. Parks are assessed as vacant land and receive a non-residential benefit factor.

Benefit Units

The budget for basic lighting is \$1,561,643, which includes the costs of basic lighting, associated capital improvements and any contribution to reserves. The proposed applied basic lighting assessment rate is estimated at \$14.25 per BU, totaling \$1,477,117. Accordingly, a single-family residential parcel's assessment would equal 3 BU x \$14.25/BU = \$42.75 The following table provides a preliminary summary of Street Lighting Benefit Units (BU's) for the City.

Table 3-3
Street Lighting Benefit Units

Land Use	Parcels	Dwellings	Acres	EDU's	Benefit Factor	Benefit Units
Single Family Residential	20,744	20,744		20,744.00	3.00	62,232.00
Condominium	3,688	3,688		2,766.00	3.00	8,298.00
Multi-Family Residential	493	8,104		3,086.00	3.00	9,258.00
Mobile Home Parks	2	265		108.00	3.00	324.00
Commercial	683		1,319.96	4,148.54	4.00	16,594.14
Vacant SFR	243		52.83	60.75	3.00	182.25
Vacant Non-SFR	337		1,028.25	1,692.24	4.00	6,768.95
Total	26,190	32,801	2,400.59	32,605.53	23.00	103,657.34

Lighting Benefit Zone A

The budget for Zone A lighting is \$58,383, which includes the costs of Zone A lighting and associated capital improvements, and any contribution to reserves. The proposed applied preliminary Zone A lighting assessment rate is estimated at \$43.35 per BU, totaling \$75,154. The following table shows the preliminary summary of the BUs in Zone A.

Table 3-4
Zone A Benefit Units

Land Use	Parcels	Acreage	EDU's	Benefit Factors	Benefit Units
Commercial	43.00	69.94	280.72	4.00	1,122.89
Vacant Non-SFR	17.00	50.58	152.69	4.00	610.76
Totals	60.00	120.52	433.41		1,733.65

Lighting Benefit Zone B

The budget for Zone B lighting is \$29,709, which includes the costs lighting and associated capital improvements, and any contribution to reserves and is in addition to the budget for Zone A. The proposed applied preliminary Zone B lighting assessment rate is estimated at \$25.26 per BU plus \$43.35 per BU for Zone A, for a total applied assessment rate of \$68.61 per BU, totaling \$9,286. The following table shows the preliminary summary of the BUs in Zone B.

Table 3-5
Zone B Benefit Units

Land Use	Parcels	Acreage	EDU's	Benefit Factors	Benefit Units
Commercial	24.00	6.15	30.74	4.00	122.95
Vacant Non-SFR	3.00	2.48	3.10	4.00	12.39
Totals	27.00	8.63	33.84		135.34

No additional factors have been assigned for street trees; therefore, the Benefit Unit factors are the same as the EDU factors for each land use.

Street Tree Benefit

The total budget for Street Trees is \$810,509. The proposed applied preliminary assessment rate is estimated at \$19.67 per BU, which includes the costs of street tree maintenance and associated capital improvements, and contribution to reserves totaling \$641.465. A single-family residential parcel's assessment would be equal to 1 BU x \$19.67/BU = \$19.67. The following table provides a preliminary summary of Street Tree Benefit Units (BUs) for the City.

Table 3-6
Street Tree Benefit Units

Land Use	Parcels	Dwellings	Acres	EDU's	Benefit Factor	Benefit Units
Single Family Residential	20,744.00	20,744.00		20,744.00	1.00	20,744.00
Condominium	3,688.00	3,688.00		2,766.00	1.00	2,766.00
Multi-Family Residential	493.00	8,104.00		3,086.00	1.00	3,086.00
Mobile Home Parks	2.00	265.00		108.00	1.00	108.00
Commercial	683.00		1,319.96	4,154.33	1.00	4,154.33
Vacant SFR	243.00		52.83	60.75	1.00	60.75
Vacant Non-SFR	337.00		1,028.25	1,692.24	1.00	1,692.24
Total	26,190.00	32,801.00	2,400.59	32,611.32	7.00	32,611.32

Assessment Rate Summary

The following table summarizes the Applied and Maximum Assessment rates for parcels in each of the zones of benefits

Table 3-7
Fiscal Year 2026-27
Assessment Rate Summary

Benefit Category	FY 25-26 Maximum Rate Per Benefit Unit	Escalator	FY 26-27 Maximum Rate per Benefit Unit	FY 26-27 Applied Rate per Benefit Unit
Basic Local Lighting	\$13.98	1.02	\$14.26	\$14.25
Zone A	\$42.50	1.02	\$43.35	\$43.35
Zone B	\$67.27	1.02	\$68.62	\$68.61
Street Trees	\$19.29	1.02	\$19.68	\$19.67

Assessment Range Formula

Any new or increased assessment requires certain noticing and meeting requirements by law. Prior to the passage of Proposition 218 (California Constitution Articles XIII C and XIII D), legislative changes in the Brown Act defined a "new or increased assessment" to exclude certain conditions. These conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed." This definition and conditions were later confirmed through Senate Bill 919 (the Proposition 218 implementing legislation).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments. As part of the District formation, balloting of property owners is required pursuant to the Article XIID Section 4. The property owner ballots include an Assessment to be approved, as well as the approval of an assessment range formula.

The Maximum Assessment is equal to the initial Assessment approved by property owners adjusted annually by the percentage increase of the Local Consumer Price Index ("CPI") for Los Angeles-Long Beach-Anaheim for All Urban Consumers from March to March up to 2%. As of January 2018, the Los Angeles-Riverside-Orange County Consumer Price Index region name changed to Los-Angeles-Long Beach-Anaheim Consumer Price Index. Each Fiscal Year, the Maximum Assessment will be recalculated, and a new Maximum Assessment established. For Fiscal Year 2026-27, CPI increased by 3.4%, therefore percentage increase is 2%.

The Maximum Assessment is adjusted annually and is calculated independent of the annual budgets and proposed assessments established for each Zone of the District. Any proposed annual assessment (rate per EBU) less than or equal to this Maximum Assessment (for each Zone) is not considered an increased assessment, even if the proposed assessment is much greater than the assessment applied in the prior Fiscal Year.

Assessment Range Formula

The following table shows the 15-year rate history for a typical Single-Family Residential Property. The proposed rate for FY 2026-27 shows a 2% increase from the prior year.

Table 3-8
15-Year Rate History
For a Single-Family Residential Property

Fiscal Year	Assessment
Proposed 2026-27	\$62.42
2025-26	\$61.20
2024-25	\$60.00
2023-24	\$58.85
2022-23	\$57.68
2021-22	\$56.54
2020-21	\$55.45
2019-20	\$53.34
2018-19	\$52.29
2017-18	\$52.29
2016-17	\$51.28
2015-16	\$50.41
2014-15	\$50.15
2013-14	\$49.66
2012-13	\$48.69

The proposed assessment and the amount of assessments for Fiscal Year 2026-27 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, are on file in the Office of the City Clerk of the City of West Covina. The description of each lot or parcel is part of the records of the Assessor of the County of Los Angeles and these records are, by reference, made part of this report.

The assessment diagram for the District is on file in the Office of the City Engineer.



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