

# Whiteman Airport

## Monthly Newsletter

**October 17, 2024**

### From the Airport Manager

*Alvaro Escobedo (aescobedo@pw.lacounty.gov)*

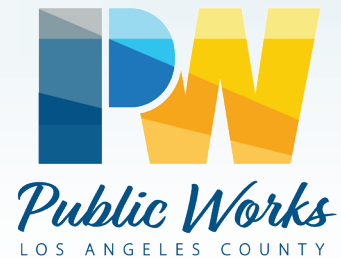
Hello, everyone. I know the holidays are approaching and everyone's schedule will be getting tight so, with that being said, I want to remind those who haven't had their hangar inspected to give us a call to schedule your inspection. Also, we are still working with LADWP to convert hangar lighting to LED, so please help us help you get your hangar lighting replaced by giving the airport office a call to schedule your appointment. Thank you!

### Airport Ops & Admin

Please contact airport administration at (818) 896-5271 or airport operations at (818) 312-2911 if you see anything out of the ordinary at the airport. Also, security can be reached after-hours between 10:00 p.m. and 6:00 a.m. at (626) 632-7298 if you need immediate assistance or you want to report suspicious activity. We need everyone to be vigilant to help ensure security at the airport.

We recently fixed a leak on the water main affecting the airport. In doing so, it increased the water pressure around the airport causing some backup around the airport sinks and toilets from sediment that made its way through the pipes. We are working diligently to address all these minor plumbing issues. We welcome any calls from tenants who notice any issues while on the airport.

We are continuing with our hangar inspections program. You may schedule your inspection by contacting the Airport Manager, Alvaro Escobedo at aescobedo@pw.lacounty.gov, Assistant Airport Manager, Ernesto Umana at eumana@pw.lacounty.gov, or calling the office at (818) 896-5271. Please make sure that you are able to provide verification that your aircraft is airworthy or that you have a plan in place to bring the aircraft into airworthiness and that you have proof of proper insurance. Thank you for your cooperation!



### Airport Events & Activities

#### EAA Young Eagles Flights

October 26th  
10 a.m. to 12:30 p.m.  
(4th Saturday of the month)

#### Aircraft Display Day

November 10th  
10 a.m. to 1 p.m.  
(2nd Sunday of the month)

### Aviation Commission Meetings

#### Wednesday, October 30

10 a.m. to 12 p.m.  
Whiteman Airport  
10000 Airpark Way  
Pacoima, CA 91331

#### Wednesday, November 27

10 a.m. to 12 p.m.  
San Gabriel Valley Airport  
4233 N. Santa Anita Ave.  
El Monte, CA 91731

**No Meeting  
December 2024**

## Contact the Airport for Available Hangars & Tiedowns

**Whiteman Airport**  
(818) 896-5271

**Compton/Woodley Airport**  
(310) 631-8140

**Brackett Field Airport**  
(909) 593-1395

**Fox Airfield**  
(661) 940-1709

**San Gabriel Valley Airport**  
(626) 448-6129

## Fuel Services

**Billion Air Aviation**  
Full and Self-Service 100LL  
+ Full-Service Jet A  
(888) 818-8177;  
(818) 454-0985

**Los Angeles County**  
Full-Service UL94  
(818) 312-2911

## Airport Tenant Portal

Scan the QR Code below to make **hangar/tiedown rent payments** and file **hangar maintenance requests**.



## 2024 Airport Customer Service Survey

We'd like to thank those of you who submitted an Airport Customer Service Survey which was made available via hardcopy and on-line June 15th through July 31st. Your input is greatly appreciated and will help us better serve you and improve the quality of the products, services, and facilities at the County airports.

## Possessory Interest Taxes

The Los Angeles County Assessor is required to value all taxable property in the County. One type of taxable property is possessory interest which exists when a private party has possession of, claim to, or right to the possession of land and/or improvements owned by a public agency. Possessory Interest Taxes are applicable to land/facility lease agreements, aircraft tiedowns, and aircraft storage hangars at the County airports. See the attached Fact Sheet for more information.

Prior to August 1, 2021, possessory interest taxes were collected along with rent payments from airport tenants by the airport management contractor who then paid them to the Assessor. Effective August 1, 2021, the possessory interest taxes have not been collected from tenants along with their rent payments and are now to be paid directly to the Assessor.

If you are a tenant at a County airport, you likely have received a notice from the Assessor regarding possessory interest taxes. Please direct all related inquiries to the Office of the Assessor at (888) 807-2111.

## 100th Anniversary of Compton/Woodley Airport

Please join the County, along with the City of Compton, California Black Pilots Aviation Association, Experimental Aircraft Association, Fly Compton Foundation, and others involved in the planning, for the 100th Anniversary Celebration of Compton/Woodley Airport. The event will be held at the airport on October 26, 2024, 10:00 a.m. to 4:00 p.m. and will highlight and celebrate the past, present, and future of Compton/Woodley Airport.

## Contact Us

**Whiteman Airport**  
10000 Airpark Way  
Pacoima, CA 91331

Office: (818) 896-5271  
Operations: (818) 312-2911

**Public Works—Airports**  
900 South Fremont Avenue  
Alhambra, CA 91803

Office: (626) 300-4602  
LACountyAirports@pw.lacounty.gov

*More information about the airport and the other 4 County-owned airports is available at:*

<https://pw.lacounty.gov/avi/airports/>





# PROPERTY INFORMATION POSSESSORY INTEREST

JEFF PRANG, ASSESSOR

**DID YOU KNOW THAT TAXABLE POSSESSORY INTEREST ASSESSMENTS ARE FREQUENTLY LESS THAN THE ASSESSMENTS OF SIMILAR PRIVATELY-OWNED PROPERTY?**

## Taxable Possessory Interest (PI)



When a person or entity leases, rents, or uses real estate owned by a government agency for its exclusive use, a taxable possessory interest occurs.<sup>1</sup> The taxation of this interest is similar to the taxation of owners of privately owned property. However, a holder of a possessory interest frequently pays significantly less property tax than the private owner of a similar property.

## Possessory Interest Property Tax

Possessory interest taxes help pay for the holders' share of services and benefits, including fire and police protection, schools, and local government.

The person or entity in possession of the property on the lien date (January 1) is liable for the entire subsequent fiscal year's taxes. Unfortunately, no provision is made for the Assessor to prorate the taxes if the possessory interest is terminated after the lien date.

## Assessor's Responsibility

By law, every governmental agency in the county must respond to the Assessor's annual request for information. The information assists the Assessor in conducting fair and accurate possessory interest assessments.

### Valuing Taxable Possessory Interest

A base year value is established for taxable possessory interests upon a change in ownership or completion of new construction under the guidelines of Proposition 13.<sup>2</sup> This value, by law, will only increase by a maximum of 2% per year, until a new reappraisable event (change of ownership or completion of new construction) occurs, or the property suffers a decline-in-value.

The valuation of possessory interests is different from other forms of property tax appraisals in two ways:

1. Only the rights held by the private user are valued.
2. The Assessor must not include the value of the lessor's retained rights in the property or any rights that will revert back to the public owner (the "reversionary interest") at the end of the lease.

As a result, possessory interest assessments are frequently less than the assessments of similar privately-owned property.

<sup>1</sup>For an expanded definition, see Revenue and Taxation (R&T) Code Section 61, 107-107.9, 480.6 and Property Tax Rules 20, 21-22, and 27-29

<sup>2</sup>A change in ownership occurs when a possessory interest is created, assigned, or upon the expiration of the lease per R&T Code Section 61

## Approaches to Value



When a new base year value is computed for a possessory interest property, the Assessor uses the income, comparative sales, or cost approach.<sup>3</sup> The quality and quantity of the available market information, the type of interest being valued, and the estimated reasonable term of possession will determine which of the three valuation approaches is most appropriate to use.

### INCOME APPROACH

This is the most commonly used method for valuing a possessory interest.

Using the approach, the PI value is estimated by first determining the net income. The net income results from subtracting the anticipated vacancy rate, collection loss, and management expenses from the economic income. The net income is then multiplied by a present worth factor to arrive at the PI value.

Using the economic net income for the term of possession allows the Assessor to value only the rights “possessed” by the tenant and exclude any non-taxable rights retained by the government landlord.

### COMPARATIVE SALES APPROACH

In this approach to value, the sales price of the property or similar possessory interest properties is used to determine the possessory interest value. Rent paid on the property and any other obligations assumed by the buyer are valued at present worth and added to the sales price.

### COST APPROACH

In the cost approach, the land and improvement values are determined separately. The land value is determined using the comparative sales approach or the income approach.

Consideration is given for the reversionary value of the land at the end of the anticipated term of possession. The improvement value is estimated by subtracting the accrued depreciation from the replacement cost.

Consideration is given for the estimated value of the improvements at the end of the anticipated term of possession. The total value of the PI is determined by adding the estimated land value to the estimated improvement value.



<sup>3</sup>Base year value computation is fully explained in Property Tax Rule 21



## Examples of Possessory Interests

Taxable PI's are created by almost any use of government-owned real property including the following:

- Boat slips on public lakes, rivers, or ocean marinas
- Mini-storage facilities under freeways
- Private walkways above city streets
- Airplane tie-downs and hangars at county airports
- Cattle grazing rights on government land
- Private entities leasing government-owned buildings
- Concession spaces at convention centers and fairgrounds
- Cabins and campgrounds on United States Forestry-owned lands
- Ski resorts on public lands
- Pro shops or golf operators at a public golf course on tax-exempt land
- Terminal and cargo spaces at airports
- Container operations at harbors
- Cable television right-of-way easements
- Retail business operations in a publicly-owned building
- Rental car facilities at airports
- Farming on community college district land
- Mining operations on public land
- Privately-owned medical clinics operating in a county hospital
- Adult/night schools operating in a public school
- Christmas tree lots on freeway underpasses
- Stables on river annexes
- Concert or air shows on public land
- Employee housing

