Atascadero City Council
Staff Report – Administrative Services Department

De Anza Estates Assessment Districts

(Annual approval and notice of Public Hearing on June 26th.)

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution A initiating proceedings for the levy and collection of annual assessments for Street and Storm Drain Maintenance District No. 03 – De Anza Estates for fiscal year 2007/2008; and
2. Adopt Draft Resolution B accepting and preliminarily approving the Engineer’s Annual Levy Report regarding the Street and Storm Drain Maintenance District No. 03 – De Anza Estates; and
3. Adopt Draft Resolution C declaring the City’s intention to levy and collect annual assessments within Street and Storm Drain Maintenance District No. 03 – De Anza Estates in fiscal year 2007/2008, and to appoint a time and place for the public hearing on these matters; and
4. Adopt Draft Resolution D initiating proceedings for annual levy of assessments for the Atascadero Landscaping and Lighting Maintenance District No. 03 – De Anza Estates for fiscal year 2007/2008 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code; and
5. Adopt Draft Resolution E for preliminary approval of the Annual Engineer’s Levy Report for the Atascadero Landscaping and Lighting Maintenance District No. 03 – De Anza Estates for fiscal year 2007/2008; and

REPORT-IN-BRIEF:

The City Council formed and began assessing Street and Storm Drain Maintenance District Number 3 – De Anza Estates in 2005. This district was formed to provide funding for future routine maintenance of the streets, storm drains and sidewalks in the De Anza Estates subdivision.
The City Council also formed and began assessing Landscape and Lighting Maintenance District Number 3 – De Anza Estates in 2005. This district was formed to provide for funding and maintenance of street trees, open space, park area, medians, walkways, paths and other landscape and lighting improvements within the De Anza Estates subdivision.

Muni-Financial, an independent financial consultant, was hired to prepare the engineer's report for the two districts. The engineer’s report and the levies must be approved by Council annually. This is done in a two-step process. Tonight, there are three resolutions for each district (a total of 6 resolutions in all) that must be passed in order to continue the assessments within the districts. The resolutions passed tonight will also establish the date and time for the public hearing. The public hearing is tentatively scheduled for June 26, 2007, at 7:00 p.m., at which time the final resolutions will be presented to the Council for passage.

The proposed assessments for fiscal year 2007/2008 are less than the Maximum Assessment Rate. In accordance with the formula voters of the district adopted in 2005, the City may increase the Maximum Assessment Rate for inflation by the greater of the Consumer Price Index (CPI) or 3.0%. The Maximum Assessment Rate was increased by CPI of 3.2% this year, though the actual assessments for the Street and Storm Drain District remain constant from the prior year. The Landscape and Lighting District has a surplus fund balance, so the assessments proposed are 50% of the prior year's assessments.

**FISCAL IMPACT:**

Annual assessments for 2007/2008 will total $34,421 for road/drainage system maintenance and $27,818 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in De Anza Estates. There is no fiscal impact to general residents within the City.

**ATTACHMENTS:**

1. **Draft Resolution A** - initiating proceedings for the levy and collection of annual assessments for Street and Storm Drain Maintenance District No. 03 – De Anza Estates for fiscal year 2007/2008
2. **Draft Resolution B** - accepting and preliminarily approving the Engineer’s Annual Levy Report regarding the Street and Storm Drain Maintenance District No. 03 – De Anza Estates
3. **Draft Resolution C** - declaring the City’s intention to levy and collect annual assessments within Street and Storm Drain Maintenance District No. 03 – De Anza Estates in fiscal year 2007/2008, and to appoint a time and place for the public hearing on these matters
4. **Engineer's Annual Levy Report** - for the levy and collection of fiscal year 2007/2008 assessments for Street and Storm Drain Maintenance District No. 03 – De Anza Estates
5. **Draft Resolution D** - initiating proceedings for annual levy of assessments for the Atascadero Landscaping and Lighting Maintenance District No. 03 – De Anza Estates for fiscal year 2007/2008 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code


7. **Draft Resolution F** - declaring the City’s intention to levy and collect assessments for the Atascadero Landscaping and Lighting Maintenance District No. 03 – De Anza Estates for fiscal year 2007/2008