Atascadero City Council
Staff Report – Administrative Services Department

Apple Valley Assessment Districts

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution A approving the final Engineer’s Report regarding the Street and Storm Drain Maintenance District No. 01 – Apple Valley, and the levy and collection of annual assessments related thereto for fiscal year 2008/2009.
2. Adopt Draft Resolution B ordering the levy and collection of assessments for fiscal year 2008/2009 for Street and Storm Drain Maintenance District No. 01 – Apple Valley.

DISCUSSION:

The City Council formed and began assessing Street and Storm Drain Maintenance District No. 01 – Apple Valley in 2005. This district was formed to provide funding for future routine maintenance of the streets, storm drains and sidewalks in the Apple Valley subdivision.

The City Council also formed and began assessing Landscaping and Lighting Maintenance District No. 01 – Apple Valley 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 Apple Valley subdivision.

Muni-Financial, an independent financial consultant, was hired to prepare the Engineer’s Reports for the two districts. The Engineer’s Reports and the levies must be
approved by Council annually. This is done in a two-step process. Last month, three resolutions for each district (a total of 6 resolutions in all) were passed to begin the process of continuing the levies. At that time, the Engineer's Reports were preliminarily approved, proceedings were initiated for the levy, and the date of tonight's public hearing was established. The resolutions that are before you tonight are for the final approval of the Engineer's Reports and for the approval of the annual levies.

The proposed assessments for fiscal year 2008/2009 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 3.0% this year, though the actual assessments for the Street and Storm Drain District are slightly less than the maximum. The Landscaping and Lighting District has a surplus fund balance, so the assessments proposed are 60% of the allowable annual assessments.

<table>
<thead>
<tr>
<th>District</th>
<th>Amount Per EBU Maximum Assessment Fiscal Year 2008-09</th>
<th>Amount Per EBU Proposed Assessment Fiscal Year 2008-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atascadero Street and Storm Drain Maintenance District No. 01 Apple Valley</td>
<td>$544.97</td>
<td>$512.70</td>
</tr>
<tr>
<td>Atascadero Landscaping and Lighting Maintenance District No. 01 Apple Valley</td>
<td>$1,190.93</td>
<td>$714.56</td>
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</tbody>
</table>

**FISCAL IMPACT:**

Annual assessments for 2008/2009 will total $35,889 for road/drainage system maintenance and $50,019 for landscaping and lighting maintenance. These amounts will be assessed to the owners of parcels in Apple Valley. The City General Fund will contribute $21,129 toward the cost of maintaining the park.

**ATTACHMENTS:**

1. **Draft Resolution A** - approving the final Engineer's Report regarding the Street and Storm Drain Maintenance District No. 01 – Apple Valley, and the levy and collection of annual assessments related thereto for fiscal year 2008/2009
2. **Draft Resolution B** - ordering the levy and collection of assessments for fiscal year 2008/2009 for Street and Storm Drain Maintenance District No. 01 – Apple Valley
3. **Engineer's Annual Levy Report** - for the levy and collection of fiscal year 2008/2009 assessments for Street and Storm Drain Maintenance District No. 01 – Apple Valley

4. **Draft Resolution C** - approving the final Engineer’s Report regarding the Landscaping and Lighting District No. 01 – Apple Valley, and the levy and collection of annual assessments related thereto in fiscal year 2008/2009

5. **Draft Resolution D** - ordering the levy and collection of assessments for fiscal year 2008/2009 for Landscaping and Lighting District No. 01 – Apple Valley