



CITY OF ATASCADERO CITY COUNCIL AGENDA

*** COVID-19 NOTICE ***

Based on the threat of COVID-19 as reflected in Emergency Proclamations issued by the State of California, County of San Luis Obispo and City of Atascadero and consistent with Executive Order N-29-20 the City Council Meeting will not be physically open to the public and City Council Members will be teleconferencing into the meeting.

HOW TO OBSERVE THE MEETING:

To maximize public safety while still maintaining transparency and public access, the meeting will be live-streamed on SLO-SPAN.org, on Spectrum cable Channel 20 in Atascadero, and on KPRL Radio 1230AM and 99.3FM. The video recording of the meeting will repeat daily on Channel 20 at 1:00 am, 9:00 am, and 6:00 pm and will be available through the City's website or by visiting https://us02web.zoom.us/webinar/register/WN_ZwJ7a031S3KXauEym9ehaA.

HOW TO SUBMIT PUBLIC COMMENT:

Members of the public are highly encouraged to call **805-538-2888** to listen and provide public comment via phone, or submit written public comments to cityclerk@atascadero.org by 5:00 pm on the day of the meeting. Such email **comments must identify the Agenda Item Number in the subject line of the email**. The comments will be read into the record, with a maximum allowance of 3 minutes per individual comment, subject to the Mayor's discretion. All comments should be a maximum of 500 words, which corresponds to approximately 3 minutes of speaking time. If a comment is received after the agenda item is heard but before the close of the meeting, the comment will still be included as a part of the record of the meeting but will not be read into the record.

AMERICAN DISABILITY ACT ACCOMMODATIONS:

Any member of the public who needs accommodations should contact the City Clerk's Office at cityclerk@atascadero.org or by calling 805-470-3400 at least 48 hours prior to the meeting or time when services are needed. The City will use their best efforts to provide reasonable accommodations to afford as much accessibility as possible while also maintaining public safety in accordance with the City procedure for resolving reasonable accommodation requests.

City Council agendas and minutes may be viewed on the City's website: www.atascadero.org.

Copies of the staff reports or other documentation relating to each item of business referred to on the Agenda are on file in the office of the City Clerk and are available for public inspection on our website, www.atascadero.org. Contracts, Resolutions and Ordinances will be allocated a number once they are approved by the City Council. The Minutes of this meeting will reflect these numbers. All documents submitted by the public during Council meetings that are either read into the record or referred to in their statement will be noted in the Minutes and available for review by contacting the City Clerk's office. All documents will be available for public inspection by appointment during City Hall business hours.



CITY OF ATASCADERO CITY COUNCIL

AGENDA

Tuesday, June 8, 2021

**City Hall Council Chambers, 4th floor
6500 Palma Avenue, Atascadero, California**

<u>City Council Closed Session:</u>	5:00 P.M.
<u>City Council Regular Session:</u>	6:00 P.M.

COUNCIL CLOSED SESSION: 5:00 P.M.

- 1. ROLL CALL**
- 2. CLOSED SESSION -- PUBLIC COMMENT**
- 3. COUNCIL LEAVES TO BEGIN CLOSED SESSION**
- 4. CLOSED SESSION -- CALL TO ORDER**
 - a. Conference With Legal Counsel—Anticipated Litigation**
Significant exposure to litigation pursuant to Govt. Code
Section 54956.9(d)(2): 1 potential case - Dove Creek Mini Storage Project
 - b. Conference with Labor Negotiators** (Govt. Code Sec. 54957.6)
Agency designated representatives: Rachelle Rickard, City Manager
Employee Organizations: Atascadero Professional Firefighters, Local 3600;
Atascadero Police Association; Service Employees International Union,
Local 620; Mid-Management/Professional Employees; Non-Represented
Professional and Management Workers and Confidential Employees
- 5. CLOSED SESSION – ADJOURNMENT**
- 6. COUNCIL RETURNS**
- 7. CLOSED SESSION – REPORT**

Announcement(s) of any reportable action(s) taken in Closed Session that occur(s) after the adjournment of Regular Session will be made at the beginning of the next Regular City Council meeting as Closed Session is not recorded or videotaped.

REGULAR SESSION – CALL TO ORDER: 6:00 P.M.

PLEDGE OF ALLEGIANCE: Council Member Funk

ROLL CALL: Mayor Moreno
Mayor Pro Tem Newsom
Council Member Bourbeau
Council Member Dariz
Council Member Funk

APPROVAL OF AGENDA: Roll Call

Recommendation: Council:

1. Approve this agenda; and
2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.

PRESENTATIONS: None.

A. CONSENT CALENDAR: (All items on the consent calendar are considered to be routine and non-controversial by City staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the Consent Calendar and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken.)

1. City Council Draft Action Minutes – May 25, 2021

- Recommendation: Council approve the May 25, 2021 Draft City Council Regular Meeting Minutes. [City Clerk]

2. Title 9 Planning and Zoning Text Amendments Annual Code Update (ZCH21-0004)

- Fiscal Impact: None.
- Recommendation: Council adopt on second reading, by title only, the Draft Ordinance amending the Atascadero Municipal Code, Title 9 Zoning Ordinance, Section 9-2.112 Permit Time Limits, Section 9-3.230 Agriculture and residential district allowable land uses, Section 9-3.262 Property development standards – RMF, Section 9-3.330 Nonresidential district allowable land uses, Section 9-3.331 Mixed Use residential density, Section 9-3.430 Public districts allowable land uses, Section 9-3.500 Definitions, Section 9-4.107 Side setbacks, Section 9-4.112 Measurement of height, Section 9-4.113 Height limitations, Section 9-4.128 Fencing and screening, Section 9-6.103 Accessory storage, Section 9-6.105 Home Occupations, Section 9-6.106 Residential accessory uses, Section 9-6.112 Farm animal raising, Section 9-6.113 Interim agricultural uses, Section 9-2.102 General Definitions, based on findings and determine this Ordinance is exempt from review under the California Environmental Quality Act. [Community Development]

3. Adoption of Amendments to Title 9 Chapter 17 (Cannabis Activities & Regulations) Municipal Code Amendments to add non-storefront Cannabis delivery services and security provisions (CPP20-0011)

- Fiscal Impact: These zone text amendments may result in slightly positive fiscal impacts as a result of minor increases in cannabis and sales tax revenue.
- Recommendation: Council adopt on second reading, by title only, by title only, Draft Ordinance amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, based on findings. [Community Development]

4. Adopting a List of Projects for Fiscal Year 2021-2022 Funded by SB 1: The Road Repair and Accountability Act of 2017

- Fiscal Impact: Approval of the Draft Resolution adopting the list of projects for SB 1 Funding, will allow the City to receive an estimated \$577,404 in 2021-2022 SB 1 funding.
- Recommendation: Council adopt Draft Resolution adopting a list of projects to be funded with Road Maintenance and Rehabilitation Account revenues from SB 1 (The Road Repair and Accountability Act of 2017) for Fiscal Year (FY) 2021-2022. [Public Works]

5. 2021 Measure F-14 Pavement Rehabilitation Construction Award

- Fiscal Impact: \$2,355,339.70
- Recommendations: Council:
 1. Award a construction contract for \$2,355,339.70 to Souza Construction, Inc. for the 2021 Measure F-14 Pavement Rehabilitation Project (Project No. C2020R02).
 2. Authorize the City Manager to execute a contract with Souza Construction, Inc. for \$2,355,339.70 to construct the 2021 Measure F-14 Pavement Rehabilitation Project. [Public Works]

6. Council Norms and Procedures - Consideration of Amendments

- Fiscal Impact: None.
- Recommendation: Council review, amend and adopt change(s) to the Council Norms and Procedures. [City Manager]

UPDATES FROM THE CITY MANAGER: (The City Manager will give an oral report on any current issues of concern to the City Council.)

COMMUNITY FORUM: (This portion of the meeting is reserved for persons wanting to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Speakers are limited to three minutes. Please state your name for the record before making your presentation. Comments made during Community Forum will not be a subject of discussion. A maximum of 30 minutes will be allowed for Community Forum, unless changed by the Council. Any members of the public who have questions or need information may contact the City Clerk's Office, between the hours of 8:30 a.m. and 5:00 p.m. at (805) 470-3400, or cityclerk@atascadero.org.)

B. PUBLIC HEARINGS:

1. Apple Valley Assessment Districts

- Fiscal Impact: Annual assessments for 2021/2022 will total \$38,500 for road/drainage system maintenance and \$63,000 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in Apple Valley. Contributions of \$11,000 for half the cost of the park will be made from the City's General Fund, and an equal revenue source will be recognized from contributions made by the developer.
- 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 2021/2022.
 2. Adopt Draft Resolution B ordering the levy and collection of assessments for fiscal year 2021/2022 for Street and Storm Drain Maintenance District No. 01 (Apple Valley).
 3. Adopt 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 2021/2022.
 4. Adopt Draft Resolution D ordering the levy and collection of assessments for fiscal year 2021/2022 for Landscaping and Lighting District No. 01 (Apple Valley). [Administrative Services]

2. De Anza Estates Assessment Districts

- Fiscal Impact: Annual assessments for 2021/2022 will total \$30,562 for road/drainage system maintenance and \$15,875 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in De Anza Estates. The City General Fund will contribute \$1,400 for the fiscal year 2021/2022 for half of the maintenance costs of the trails and open space.
- Recommendations: Council:
 1. Adopt Draft Resolution A approving the final Engineer's Report regarding the Street and Storm Drain Maintenance District No. 03 (De Anza Estates), and the levy and collection of annual assessments related thereto for fiscal year 2021/2022.
 2. Adopt Draft Resolution B ordering the levy and collection of assessments for fiscal year 2021/2022 for Street and Storm Drain Maintenance District No. 03 (De Anza Estates).
 3. Adopt Draft Resolution C approving the final Engineer's Report regarding the Landscaping and Lighting District No. 03 (De Anza Estates), and the levy and collection of annual assessments related thereto in fiscal year 2021/2022.
 4. Adopt Draft Resolution D ordering the levy and collection of assessments for fiscal year 2021/2022 for Landscaping and Lighting District No. 03 (De Anza Estates). [Administrative Services]

3. Woodridge (Las Lomas) Assessment Districts

- Fiscal Impact: Annual assessments for 2021/2022 will total \$94,322 for road/drainage system maintenance and \$66,976 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in Las Lomas (Woodridge). The City General Fund will contribute \$2,600 for the fiscal year 2021/2022 for 25% of the maintenance costs of the trails and open space.
- Recommendations: Council:
 1. Adopt Draft Resolution A approving the final Engineer's Report regarding the Street and Storm Drain Maintenance District No. 02 – Woodridge (Las Lomas), and the levy and collection of annual assessments related thereto for Fiscal Year 2021/2022.
 2. Adopt Draft Resolution B ordering the levy and collection of assessments for Fiscal Year 2021/2022 for Street and Storm Drain Maintenance District No. 02 – Woodridge (Las Lomas).
 3. Adopt Draft Resolution C approving the final Engineer's Report regarding the Landscaping and Lighting District No. 02 – Woodridge (Las Lomas), and the levy and collection of annual assessments related thereto in Fiscal Year 2021/2022.
 4. Adopt Draft Resolution D ordering the levy and collection of assessments for Fiscal Year 2021/2022 for Landscaping and Lighting District No. 02 – Woodridge (Las Lomas). [Administrative Services]

4. Atascadero Tourism Business Improvement District Confirmation of Annual Assessment (Fiscal Year 2021-2022)

- Fiscal Impact: Annual assessments for 2021-2022 are expected to be approximately \$292,320 and will be assessed as 2% of the rent charged on the occupied rooms and spaces for transient occupancies.
- Recommendation: Council adopt Draft Resolution confirming the annual assessment for the Atascadero Tourism Business Improvement District (Fiscal Year 2021-2022). [City Manager]

5. Downtown Parking and Business Improvement Area Confirmation of Annual Assessment (FY 2021-2022)

- Fiscal Impact: Adopting the staff recommendation will result in the collection of approximately \$12,750 and expenditure of \$14,480 in budgeted DPBIA funds.
- Recommendation: Council adopt Draft Resolution confirming the annual assessment for the Downtown Parking and Business Improvement Area (Fiscal Year 2021-2022). [City Manager]

C. MANAGEMENT REPORTS:

1. 2021-2023 Operating and Capital Budget

- Fiscal Impact: The total revenues for all funds are budgeted at \$48,051,980 and \$51,035,620 for fiscal years 2021-2022 and 2022-2023, respectively. Total expenditures for all funds are budgeted at \$63,220,890 and \$59,475,030 for fiscal years 2021-2022 and 2022-2023, respectively.
- Recommendations: Council:
 1. Adopt Draft Resolution adopting the budgets for the 2021-2022 and 2022-2023 fiscal years and delegating to the City Manager the authority to implement same.
 2. Adopt Draft Resolution amending fiscal year 2020-2021 budget.

3. Adopt Draft Resolution adopting the fiscal year 2021-2022 annual spending limit.
4. Adopt Draft Resolution reaffirming the necessity of Development Impact Fees.
5. Approve the 2021-2023 City of Atascadero Draft Action Plan implementing Council Goals. [Administrative Services]

D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS: (On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. The following represent standing committees. Informative status reports will be given, as felt necessary):

Mayor Moreno

1. City Selection Committee
2. County Mayors Round Table
3. Regional Economic Action Coalition (REACH)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Newsom

1. City / Schools Committee
2. Design Review Committee
3. League of California Cities – Council Liaison
4. Visit SLO CAL Advisory Committee

Council Member Bourbeau

1. City of Atascadero Finance Committee
2. City / Schools Committee
3. Integrated Waste Management Authority (IWMA)
4. SLO County Water Resources Advisory Committee (WRAC)

Council Member Dariz

1. Air Pollution Control District
2. California Joint Powers Insurance Authority (CJPIA) Board
3. City of Atascadero Finance Committee

Council Member Funk

1. Atascadero Basin Ground Water Sustainability Agency (GSA)
2. Design Review Committee
3. Homeless Services Oversight Council

E. INDIVIDUAL DETERMINATION AND / OR ACTION: (Council Members may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda. The Council may take action on items listed on the Agenda.)

1. City Council
 - a) Council Member Dariz will request Council direction whether or not to have staff draft a proclamation recognizing First Responders for presentation at the June 22, 2021 City Council Meeting.
2. City Clerk
3. City Treasurer
4. City Attorney
5. City Manager

ADJOURN

Please note: Should anyone challenge any proposed development entitlement listed on this Agenda in court, that person may be limited to raising those issues addressed at the public hearing described in this notice, or in written correspondence delivered to the City Council at or prior to this public hearing. Correspondence submitted at this public hearing will be distributed to the Council and available for review in the City Clerk's office.



CITY OF ATASCADERO CITY COUNCIL

DRAFT MINUTES

Tuesday, May 25, 2021

**City Hall Council Chambers, 4th floor
6500 Palma Avenue, Atascadero, California**

City Council Closed Session: 5:00 P.M.

City Council Regular Session: 6:00 P.M.

COUNCIL CLOSED SESSION: 5:00 P.M.

Mayor Moreno called Closed Session to order at 5:01 p.m.

- 1. CLOSED SESSION -- PUBLIC COMMENT – None.**
- 2. COUNCIL LEAVES TO BEGIN CLOSED SESSION**
- 3. CLOSED SESSION -- CALL TO ORDER**
 - a. Public Employee Performance Evaluation** (Govt. Code 54957)
Title: City Manager
 - b. Public Employee Performance Evaluation** (Govt. Code 54957)
Title: City Attorney
 - c. Conference with Labor Negotiators** (Govt. Code Sec. 54957.6)
Agency designated representatives: Rachelle Rickard, City Manager
Employee Organizations: Atascadero Professional Firefighters, Local 3600;
Atascadero Police Association; Service Employees International Union,
Local 620; Mid-Management/Professional Employees; Non-Represented
Professional and Management Workers and Confidential Employees
- 4. CLOSED SESSION – RECESS – until after the adjournment of the
Regular Session**
- 5. COUNCIL RETURNS**

6. CLOSED SESSION – REPORT

Mayor Moreno noted that more time would be needed to complete the discussion on the Closed Session item and that Council would be recessing Closed Session until after the close of Regular Session.

REGULAR SESSION – CALL TO ORDER: 6:00 P.M.

Mayor Moreno called the meeting to order at 6:06 p.m. and led the Pledge of Allegiance.

ROLL CALL:

Present: **By Teleconference** - Council Members Bourbeau, Dariz and Funk, Mayor Pro Tem Newsom, and Mayor Moreno

Absent: None

Others Present: Treasurer Gere Sibbach

Staff Present: **By Teleconference** – City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Deputy Public Works Director Ryan Hayes, City Attorney Brian Pierik, Deputy City Manager/City Clerk Lara Christensen, Public Works Analyst Ryan Betz, and IT Manager Luke Knight

APPROVAL OF AGENDA:

MOTION: By Council Member Bourbeau seconded by Mayor Pro Tem Newsom to:

1. Approve this agenda; and,
2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.

Motion passed 5:0 by a roll-call vote.

PRESENTATIONS: None.

A. CONSENT CALENDAR:

1. City Council Draft Action Minutes – May 11, 2021

- Recommendation: Council approve the May 11, 2021 Draft City Council Regular Meeting Minutes. [City Clerk]

2. April 2021 Accounts Payable and Payroll

- Fiscal Impact: \$2,405,702.17
- Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for April 2021. [Administrative Services]

3. March 2021 Investment Report

- Fiscal Impact: None.
- Recommendation: Council receive and file the City Treasurer's report for quarter ending March 31, 2021. [City Treasurer]

4. Traffic Way Sewer Main Replacement Construction Award

- Fiscal Impact: Award of the contracts to Specialty Construction and Filippin Engineering will result in the expenditure of \$3,038,610 of wastewater funds.
- Recommendations: Council:
 1. Award a construction contract for \$2,740,040 to Specialty Construction, Inc. for the Traffic Way Sewer Main Replacement Project (Project No. C2019W01).
 2. Authorize the City Manager to execute a construction contract with Specialty Construction, Inc. for \$2,740,040 for the Traffic Way Sewer Main Replacement Project.
 3. Authorize the City Manager to execute a contract with Filippin Engineering for \$298,570 for construction management and materials testing services for the Traffic Way Sewer Main Replacement Project.
 4. Authorize the Director of Administrative Services to allocate an additional \$1,236,900 in Wastewater Enterprise Fund balance to the Traffic Way Sewer Main Replacement Project.
 5. Authorize the Director of Public Works to file a Notice of Completion with the County Recorder upon satisfactory completion of the Project. [Public Works]

5. Appointment of Board Members to the Atascadero Tourism Business Improvement District (ATBID) Board

- Fiscal Impact: None.
- Recommendation: Council appoint Corina Ketchum and Tom O'Malley to the ATBID Advisory Board for the term expiring June 30, 2023. [City Manager]

6. Atascadero Tourism Business Improvement District (ATBID) Annual Assessment

- Fiscal Impact: None.
- Recommendations: Council:
 1. Approve the ATBID Annual Report.
 2. Adopt Draft Resolution declaring intent to levy an annual Business Improvement District assessment on lodging businesses within the Atascadero Tourism Business Improvement District, and set a public hearing for June 8, 2021. [City Manager]

7. Downtown Parking & Business Improvement Area (DPBIA) Assessment

- Fiscal Impact: None.
- Recommendation: Council adopt Draft Resolution, declaring intent to levy the annual Downtown Parking and Business Improvement Area assessment, and set a public hearing for June 8, 2021. [City Manager]

MOTION: By Council Member Bourbeau and seconded by Mayor Pro Tem Newsom to approve the Consent Calendar. (#A-4: Contract Nos.

2021-014 and 2021-015) (#A-6: Resolution No. 2021-031)
(#A-7: Resolution Nos. 2021-032)
Motion passed 5:0 by a roll-call vote.

UPDATES FROM THE CITY MANAGER:

City Manager Rachelle Rickard gave an update on projects and issues within the City.

COMMUNITY FORUM:

The following citizens spoke by telephone or through the webinar during Community Forum:
Josh Cross

Mayor Moreno closed the COMMUNITY FORUM period.

B. PUBLIC HEARINGS:

1. Proposition 218 Majority Protest Process Relative to Proposed Increase to Wastewater (Sewer) Rates

- Fiscal Impact: Approving staff recommendations will generate an estimated \$530,000 in additional revenue from sewer service charges collected in FY21/22.
- Recommendations: Council:
 1. Conduct a public hearing to receive all written and verbal testimony regarding the proposed wastewater (sewer) rates and consider the results of protest proceedings in accordance with Proposition 218.
 2. Adopt one of the following resolutions certifying the protest results:
 - A. For a non-majority protest – Draft Resolution A certifying that the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate increase.

OR

- B. For a majority protest – Draft Resolution B certifying that the number of valid written protests were received from property owners representing a majority of the parcels subject to the proposed rate increase.
3. If no majority protest exists, adopt Draft Resolution C approving proposed wastewater rates effective July 1, 2021. [Public Works]

Ex Parte Communications

All Council Members reported having no ex parte communications.

Public Works Analyst Betz gave the report and answered questions from the Council.

PUBLIC COMMENT:

The following citizens spoke by telephone or through the webinar on this item: Charles Kania and Deborah McKrell

Mayor Moreno closed the Public Comment period.

MOTION: By Council Member Bourbeau and seconded by Council Member Funk to adopt Resolution No. 2021-033 certifying that the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate increase and adopt Resolution No. 2021-034 approving proposed wastewater rates effective July 1, 2021.
Motion passed 5:0 by a roll-call vote.

2. Title 9 Chapter 17 (Cannabis Activities & Regulations) Municipal Code Amendments to Add Non-Storefront Cannabis Delivery Services and Security Provisions (CPP20-0011)

- Fiscal Impact: Staff expects minimal fiscal impact from the adoption of the proposed Title 9 Chapter 17 Cannabis text amendments and full cost recovery for review of commercial Cannabis businesses projects. Additionally, the allowance of the additional use has the potential to increase tax revenue generation for the City.
- Recommendations: Council:
 1. Introduce for first reading, by title only, Draft Ordinance A amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, based on findings.

OR

2. Introduce for first reading, by title only, Draft Ordinance B, amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, which includes amendment suggestions discussed by the Planning Commission. [Community Development]

Ex Parte Communications

Council Member Funk reported speaking with Nick Andre.

Council Member Dariz, Bourbeau, and Mayor Moreno reported speaking with various community members on this topic.

Council Member Bourbeau also reported speaking with a former delivery service employee as well as a Council Member from a local jurisdiction on this topic.

Development Director Dunsmore gave the report and answered questions from the Council.

PUBLIC COMMENT:

The following citizens spoke by telephone or through the webinar on this item: Deborah McKrell

Mayor Moreno closed the Public Comment period.

MOTION: By Council Member Funk and seconded by Council Member Dariz to introduce for first reading, by title only, Draft Ordinance B, amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act and making the following changes to the Draft Ordinance:

1. **9-17.009(a)(9)(i) - leaving in the language “or misdemeanor”**
All owners, corporate officers, partners, managers, employees, or volunteers of a commercial cannabis activity permitted under this chapter shall comply with background criminal history requirements under state law. No person who is currently charged with or has been convicted within the previous ten years of a felony or misdemeanor involving moral turpitude or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance shall be employed by a cannabis business in the City.
2. **9-17.009(16) - adding the word “from” following “or unloaded”**
A Retail Non-Storefront Facility location in the City of Atascadero shall include an on-site concealed location within the building where all cannabis products and cash are loaded onto or unloaded from a delivery vehicle. The concealed location shall be within an enclosed area not visible or accessible to the public.
3. **9-17.005 (a) Table 17-1 - eliminating CUP from the CR and DO zones for Retail Non-storefront Facility**
4. **Fixing all typos as identified in the staff presentation**

City Clerk Christensen read the title of the Ordinance:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING THE ATASCADERO MUNICIPAL CODE TITLE 9, CHAPTER 17 (CANNABIS ACTIVITIES & REGULATIONS) AND DETERMINING THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

Motion passed 5:0 by a roll-call vote.

Mayor Moreno recessed the meeting at 7:59 p.m.

Mayor Moreno reconvened the meeting at 8:11 p.m. will all present.

3. Title 9 Planning and Zoning Text Amendments - Annual Code Update (ZCH21-0004)

- Fiscal Impact: None.
- Recommendation: Council introduce for first reading, by title only, a Draft Ordinance, amending the Atascadero Municipal Code, Title 9 Zoning Ordinance, Section 9-2.112 Permit Time Limits, Section 9-3.230 Agriculture and residential district allowable land uses, Section 9-3.262 Property development standards – RMF, Section 9-3.330 Nonresidential district allowable land uses, Section 9-3.331 Mixed Use residential density, Section 9-3.430 Public districts allowable land uses, Section 9-3.500 Definitions, Section 9-4.107 Side setbacks, Section 9-4.112 Measurement of height, Section 9-4.113 Height limitations, Section 9-4.128 Fencing and screening, Section 9-6.103 Accessory storage, Section 9-6.105 Home Occupations, Section 9-6.106 Residential accessory uses, Section 9-6.112 Farm animal raising, Section 9-6.113 Interim agricultural uses, Section 9-2.102 General Definitions, based on findings. [Community Development]

Ex Parte Communications

All Council Members reported having no ex parte communications.

Community Development Director Dunsmore gave the report and answered questions from the Council.

PUBLIC COMMENT:

The following citizens spoke by telephone or through the webinar on this item: Deborah McKrell

Emails from the following citizens were read into the record by Deputy City Manager/City Clerk Christensen: Rick Derevan

Mayor Moreno closed the Public Comment period.

MOTION: By Mayor Moreno and seconded by Mayor Pro Tem Newsom to introduce for first reading, by title only, a Draft Ordinance, amending the Atascadero Municipal Code, Title 9 Zoning Ordinance, Section 9-2.112 Permit Time Limits, Section 9-3.230 Agriculture and residential district allowable land uses, Section 9-3.262 Property development standards – RMF, Section 9-3.330 Nonresidential district allowable land uses, Section 9-3.331 Mixed Use residential density, Section 9-3.430 Public districts allowable land uses, Section 9-3.500 Definitions, Section 9-4.107 Side setbacks, Section 9-4.112 Measurement of height, Section 9-4.113 Height limitations, Section 9-4.128 Fencing and screening, Section 9-6.103 Accessory storage, Section 9-6.105 Home Occupations, Section 9-6.106 Residential accessory uses, Section 9-6.112 Farm animal raising, Section 9-6.113 Interim agricultural uses, Section 9-2.102 General Definitions, based on findings and making the following changes to the Draft Ordinance:

1. **9-6.106(2) – changing the square feet from 3,000 to 2,000**
Floor Area. The gross floor area of a detached accessory structure is not to exceed one hundred percent (100%) of the gross floor area of the principle structure, up to ~~3,000~~ 2,000 square feet.
2. **9-6.106(3) - adding Sections (viii) and (ix)**
(viii) *The accessory structure shall be located no closer than ten (10) feet to the side property line as measured from the nearest roof eave.*
(ix) *The accessory structure shall be located no closer than forty (40) feet to the nearest residential dwelling on an adjacent property.*
3. **9-3.330 Table 3-2 – removing CUP requirements for Mortuary Services in the CR and CS zones**
4. **Fixing all typos as identified in the staff presentation**

City Clerk Christensen read the title of the Ordinance:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING TITLE 9 PLANNING & ZONING, SECTION 9-2.112 PERMIT TIME LIMITS, SECTION 9-3.230 AGRICULTURE AND RESIDENTIAL DISTRICT ALLOWABLE LAND USES, SECTION 9-3.262 PROPERTY DEVELOPMENT STANDARDS – RMF, SECTION 9-3.330 NONRESIDENTIAL DISTRICT ALLOWABLE LAND USES, SECTION 9-3.331 MIXED USE RESIDENTIAL DENSITY, SECTION 9-3.430 PUBLIC DISTRICTS ALLOWABLE LAND USES, SECTION 9-3.500 DEFINITIONS, SECTION 9-4.107 SIDE SETBACKS, SECTION 9-4.112 MEASUREMENT OF HEIGHT, SECTION 9-4.113 HEIGHT LIMITATIONS, SECTION 9-4.128 FENCING AND SCREENING, SECTION 9-6.103 ACCESSORY STORAGE, SECTION 9-6.105 HOME OCCUPATIONS, SECTION 9-6.106 RESIDENTIAL ACCESSORY USES, SECTION 9-6.112 FARM ANIMAL RAISING, SECTION 9-6.113 INTERIM AGRICULTURAL USES, SECTION 9-9.102 GENERAL DEFINITIONS, AND DETERMINING THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

Motion passed 5:0 by a roll-call vote.

C. MANAGEMENT REPORTS: None.

D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:

The following Council Members made brief announcements and gave brief update reports on their committees since their last Council meeting:

Mayor Moreno

1. County Mayors Round Table

Council Member Bourbeau

1. Integrated Waste Management Authority (IWMA)

Council Member Dariz

1. Air Pollution Control District

Council Member Funk

1. Homeless Services Oversight Council

E. INDIVIDUAL DETERMINATION AND / OR ACTION: None.

ADJOURN

Mayor Moreno recessed the Regular Meeting at 9:37 and reconvened the Closed Session Meeting at 9:38 p.m.

The meeting was adjourned at 10:18 pm; no reportable action.

MINUTES PREPARED BY:

Lara K. Christensen
Deputy City Manager / City Clerk

APPROVED:



Atascadero City Council

Staff Report - Community Development Department

Title 9 Planning and Zoning Text Amendments Annual Code Update ZCH21-0004

RECOMMENDATION:

Council adopt on second reading, by title only, the Draft Ordinance amending the Atascadero Municipal Code, Title 9 Zoning Ordinance, Section 9-2.112 Permit Time Limits, Section 9-3.230 Agriculture and residential district allowable land uses, Section 9-3.262 Property development standards – RMF, Section 9-3.330 Nonresidential district allowable land uses, Section 9-3.331 Mixed Use residential density, Section 9-3.430 Public districts allowable land uses, Section 9-3.500 Definitions, Section 9-4.107 Side setbacks, Section 9-4.112 Measurement of height, Section 9-4.113 Height limitations, Section 9-4.128 Fencing and screening, Section 9-6.103 Accessory storage, Section 9-6.105 Home Occupations, Section 9-6.106 Residential accessory uses, Section 9-6.112 Farm animal raising, Section 9-6.113 Interim agricultural uses, Section 9-2.102 General Definitions, based on findings and determine this Ordinance is exempt from review under the California Environmental Quality Act.

DISCUSSION:

At the May 25, 2021 City Council meeting, the attached Draft Ordinance was introduced, amending Title 9 of the Atascadero Municipal Code. Amendments include adding clarifications and correcting inconsistencies to multiple code sections including those related to agricultural uses in residential zones, height limits in residential multi-family zones, residential density on commercial zones, detached accessory structure exemptions, scrap and junk as an accessory use, fence/ wall height standards, covered parking in multi-family residential, mortuary service locations, gate setbacks and height limits in single-family residential zones, DRC action expiration timelines, corner lot setbacks, side and rear setbacks exceptions, ground floor office uses in the Downtown Commercial zoning district, the location of the Public zones table and the definition for Hotels, Motels.

ATTACHMENT:

Draft Ordinance

DRAFT ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO AMENDING TITLE 9 PLANNING & ZONING, SECTION 9-2.112 PERMIT TIME LIMITS, SECTION 9-3.230 AGRICULTURE AND RESIDENTIAL DISTRICT ALLOWABLE LAND USES, SECTION 9-3.262 PROPERTY DEVELOPMENT STANDARDS – RMF, SECTION 9-3.330 NONRESIDENTIAL DISTRICT ALLOWABLE LAND USES, SECTION 9-3.331 MIXED USE RESIDENTIAL DENSITY, SECTION 9-3.430 PUBLIC DISTRICTS ALLOWABLE LAND USES, SECTION 9-3.500 DEFINITIONS, SECTION 9-4.107 SIDE SETBACKS, SECTION 9-4.112 MEASUREMENT OF HEIGHT, SECTION 9-4.113 HEIGHT LIMITATIONS, SECTION 9-4.128 FENCING AND SCREENING, SECTION 9-6.103 ACCESSORY STORAGE, SECTION 9-6.105 HOME OCCUPATIONS, SECTION 9-6.106 RESIDENTIAL ACCESSORY USES, SECTION 9-6.112 FARM ANIMAL RAISING, SECTION 9-6.113 INTERIM AGRICULTURAL USES, SECTION 9-9.102 GENERAL DEFINITIONS APPROVALS AND DETERMINING THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

(ZCH21-0004)

WHEREAS, an application has been received from the City of Atascadero (6500 Palma Ave., Atascadero, CA 93422), to consider Zone Change Text Amendments to Title 9 Zoning Ordinance, (ZCH21-0004); and

WHEREAS, the Planning Commission has determined that it is in the best interest of the City to enact amendments to Title 9 Planning and Zoning of the Atascadero Municipal Code for consistency with the General Plan and to maintain a clear and legible set of Zoning Regulations that is easily interpreted by the public and staff; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Planning and Zoning Text Change application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Planning and Zoning Text Amendments; and

WHEREAS, the Planning Commission of the City of Atascadero, at a Public Hearing held on March 19, 2019, studied and considered said amendments; and

WHEREAS, the Planning Commission of the City of Atascadero has recommended approval of proposed amendments to Title 9 Zoning Ordinance, of the Atascadero Municipal Code as presented to them on May4, 2021; and

WHEREAS, the laws and regulations relating to the preparation and public notice of environmental documents, as set forth in the State and local guidelines for implementation of the California Environmental Quality Act (CEQA) have been adhered to; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Zoning Text Change application was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Zoning Text Amendments; and

WHEREAS, the City Council of the City of Atascadero, at a Public Hearing held on April 9, 2019, studied the Planning Commission's recommendation and considered the proposed zoning text amendments.

NOW, THEREFORE BE IT RESOLVED, by the city Council of the City of Atascadero:

SECTION 1. Recitals: The above recitals are true and correct

SECTION 2. Public Hearing. The City Council of the City of Atascadero, in a regular session assembled on May 25, 2021, resolved to introduce for first reading, by title only, an Ordinance that would amend the City Zoning Code Text as shown Exhibit A, attached hereto and incorporated herein by this reference.

SECTION 3. Facts and findings. The city council makes the following findings, determinations and approvals with respect to the Zone Text Amendment:

A. Findings for Approval of a Zone Text Change

FINDING: (i) The Planning and Zoning Text Change is consistent with General Plan policies and all other applicable ordinances and policies of the City.

FACT: The proposed zone text amendments align the code requirements with the vision, intent, and policies of the adopted General Plan.

FINDING: (ii) This Amendment of the Zoning Ordinance will provide for the orderly and efficient use of lands where such development standards are applicable.

FACT: The proposed text amendment provides for orderly development within the commercial zoning districts in accordance with the adopted General Plan and will allow for the orderly use of residential land for the raising of farm animals associated with youth projects.

FINDING: (iii) The Text Change will not, in itself, result in significant environmental impacts.

FACT: The proposed text changes are minor and do not trigger any environmental impacts.

SECTION 4. Approval. Atascadero Municipal Code Title 9 Planning & Zoning and Title 11 Subdivisions are amended as detailed in Exhibit B, attached hereto and incorporated herein by this reference.

SECTION 5. CEQA. This Ordinance is exempt from the California Environmental Quality Act (CEQA), Public resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3).

SECTION 6. Interpretation. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 7. Preservation. Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 8. Effect of Invalidation. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.

SECTION 9. Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 10. Certification. The City Clerk is directed to certify the passage and adoption of this Ordinance, cause it to be entered into the City of Atascadero's book of original ordinances, make a note of the passage and adoption in the records of this meeting and within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 11. Effective Date. This Ordinance will take effect on the 30th day following its final passage and adoption.

SECTION 11. Approval. Atascadero Municipal Code Title 9 Zoning Regulations is amended as detailed in Exhibit A, attached hereto and incorporated herein by this reference.

INTRODUCED at a regular meeting of the City Council held on May 25, 2021, and **PASSED APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on June 8, 2021.

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian A. Pierik, City Attorney

EXHIBIT A

9-2.112 Permit time limits.

(a) An approved plot plan is valid for the time limits established by Title 8 governing building permits. An approved precise plan or conditional use permit, when not part of a planned development with an approved corresponding tentative map, is valid for twenty-four (24) months after its effective date, unless otherwise provided by adopted conditions. At the end of the twenty-four (24) months the approval shall expire and become null and void unless:

- (1) Building permits have been applied for and have not expired;
- (2) The project is completed (Section 9-2.114);
- (3) An extension has been granted (Section 9-2.117); or
- (4) A building moratorium is imposed on the project site.

(b) If a conditional use permit has been approved as part of a planned development with a corresponding tentative map, the life of the conditional use permit shall run with the map and shall only expire if the map expires. Time extensions for the map shall also extend the time of the corresponding conditional use permit. Conditional use permits which correspond with a tentative map shall remain active and shall not expire once the map is recorded. This provision shall apply retroactively and, as a result, any conditional use permit which expired prior to the effective date of the ordinance codified in this section, but which was approved as part of a planned development with a corresponding tentative map that is still active, shall no longer be considered expired but shall instead be deemed active and subject to expiration only if and when the corresponding map expires without having been recorded.

(c) Endorsement or approval by the Design Review Committee shall be valid for a period of 12-months, unless otherwise provided by adopted conditions. At the end of the 12-months, the endorsement/approval shall expire and become null and void unless:

- (1) A complete construction permit for the majority of the development has been applied for and has not expired;
- (2) The project is completed (Section 9-2.114);
- (3) An extension has been granted consistent with the following:
 - (i) The Planning Director may grant two (2) six (6) month extensions. Additional exceptions may be granted by the Design Review Committee.
 - (ii) An extension shall be requested in writing on or before the date of expiration of the approval/endorsement.
 - (iii) The following findings shall be made to grant an extension:
 - a. There have been no changes to the provisions of the General Plan or zoning regulations applicable to the project since the approval/endorsement of the project; and
 - b. There have been no changes in the character of the site or its surroundings which affect how the standards of the General Plan or zoning regulations apply to the project.
- (d) Nothing in this title shall be construed as affecting any time limits established by Title 8 of this code regarding work authorized by a building permit or other construction permit issued pursuant to Title 8, or time limits relating to the expiration of such permit.

9-3.230 Agriculture and residential district allowable land uses.

Table 3-1 identifies the uses of land allowed this Zoning Code in each agriculture and residential district, and the planning permit required to establish each use, in compliance with Section 9-1 and Section 9-2 of this code. Where the last column in the tables (“Specific Use Regulations”) includes a section number, the regulations in the referenced section apply to the use. Provisions in other sections of this article may also apply.

Table 3-1 – Agriculture and Residential Land Uses
Allowed Land Uses and Permit Requirements

Agriculture/Residential Zones	A Allowed Use, Zoning Clearance Required					
	AUP Administrative Use Permit					
	CUP Conditional Use Permit Required					
	<input type="checkbox"/> Not Permitted					
	Permitted Uses By Zone					Special Use Regulation(s)
A	RS	RSF	LSF	RMF		
Natural Resources and Processing						
Resource Extraction	CUP	CUP				9-6.147— 9.6-161
Residential Uses						
Multifamily Housing					A	9-3.175
Manufactured Home/Mobile Home	A	A	A	A	A	9-6.143
Mobile Home Parks		CUP	CUP	CUP	CUP	9-6.142, 9-6.143
Organizational Houses		CUP	CUP	CUP	CUP	9-3.175
Residential Accessory Uses		A	A	A	A	9-6.106
Single-Family Dwelling		A	A	A	A	9-6.143, 9-6.184
Secondary Residential Units		A	A	A		9.5
Temporary Dwelling		A	A	A	A	9-6.175
Recreation, Education, and Public Assembly						
Churches and Related Activities		CUP	CUP	CUP	CUP	9-6.121
Parks and Playgrounds		AUP	AUP	AUP	AUP	

Agriculture/Residential Zones	A Allowed Use, Zoning Clearance Required					
	AUP Administrative Use Permit					
	CUP Conditional Use Permit Required					
	<input type="checkbox"/> Not Permitted					
Permitted Uses By Zone						Special Use Regulation(s)
	A	RS	RSF	LSF	RMF	
Schools		CUP	CUP	CUP	CUP	9-6.125
Schools – Business and Vocational		CUP	CUP	CUP	CUP	9-6.125
Temporary Events	A	A	A	A	A	9-6.177
Tourism, Lodging, and Dining						
Bed and Breakfast		CUP	CUP	CUP	CUP	
Services-Professional						
Day Care – Small Family Day Care Home		A	A	A	A	9-6.125
Day Care – Large Family Day Care/Child Care Center		CUP	CUP	CUP	CUP	9-6.125
Kennels		CUP	CUP			9-6.111
Medical Extended Care Services, 6 Clients or Less		A	A	A	CUP	9-6.134
Medical Extended Care Services, 7 Clients or More		CUP	CUP	CUP	CUP	9-6.134
Residential Care, 6 Clients or Less		A	A	A	A	9-6.135
Residential Care, 7 Clients or More		CUP	CUP	CUP	CUP	9-6.135
RCFE – Assisted Living, 6 Clients or Less		A	A	A	A	9-6.135
RCFE – Assisted Living, 7 Clients or More		CUP	CUP	CUP	CUP	9-6.135
RCFE – Independent Living Center/Senior Apartments					CUP	
RCFE – Retirement Hotel					CUP	
Transportation, Infrastructure and Communication						
Pipelines Utility Infrastructure	CUP	CUP	CUP	CUP	CUP	

Agriculture/Residential Zones	A Allowed Use, Zoning Clearance Required					
	AUP Administrative Use Permit					
	CUP Conditional Use Permit Required					
	<input type="checkbox"/> Not Permitted					
	Permitted Uses By Zone					Special Use Regulation(s)
	A	RS	RSF	LSF	RMF	
Utility Transmission Facilities	A	A	A	A	A	
Wireless Communication Facilities	CUP	CUP	CUP	CUP	CUP	

Zoning Districts Abbreviations

A – Agriculture

LSF – Limited Single-Family Residential

RS – Residential Suburban

RMF – Residential Multifamily

RSF – Residential Single-Family Residential

9-3.262 Property development standards—RMF.

In addition to the standards specified in Chapter 4 of this title, General Site Design and Development Standards, the following development standards shall apply to mobile home and multiple-family residential projects:

(a) Percent Coverage. The maximum percent of a lot that may be covered by structures (excluding decks less than thirty (30) inches from the ground) shall be forty percent (40%) for low density multiple-family projects and fifty percent (50%) for high density multiple-family projects.

(b) Enclosed Storage. Each dwelling unit shall be provided a minimum of one hundred (100) cubic feet of enclosed storage space, exclusive of closets, which may be located in either a principal or accessory building.

(c) Outdoor Recreation Areas. For developments of four (4) to seven (7) dwelling units, outdoor recreational open space shall be provided at a ratio of three hundred (300) square feet per unit. This open space may be provided either as: (1) a private amenity designed for exclusive use of a dwelling unit; or (2) as common open space provided that no individual open space is less than one thousand (1,000) square feet. For developments of eight (8) or more dwelling units, outdoor recreational open space shall be provided at a ratio of three hundred (300) square feet per unit. This common open space may be provided in more than one (1) location provided that no individual open space area is less than one thousand (1,000) square feet.

(d) Screening Wall. A solid wall or fence not less than six (6) feet in height shall be placed and maintained on interior lot lines abutting property zoned for single-family residential use.

(e) Laundry Facilities. Laundry facilities shall be provided in the form of either: (1) laundry hook-ups within each individual dwelling unit; or (2) a shared laundry facility equipped with washers and dryers.

(f) Appearance Review. All projects shall be consistent with the multifamily design and landscape requirements of the Appearance Review Manual.

(g) Maintenance Requirement. A maintenance agreement for all landscaping, building exteriors, accessory structures, parking areas and other common facilities shall be approved by the Community Development Director and City Attorney prior to final occupancy.

(h) RMF-24 properties identified in Appendix 1, Table V-45 (Vacant Residential Parcels RMF-20), of the General Plan Housing Element shall be permitted “by right” and will not be subject to conditional use permit or specific plan. Proposed planned development projects or other relief from property development standards on these parcels shall be subject to discretionary review per the requirements of the Municipal Code.

9-3.330 Nonresidential district allowable land uses.

Table 3-2 identifies the uses of land allowed by this Zoning Code in each nonresidential district, and the planning permit required to establish each use, in compliance with Chapters 9-1 and 9-2 of this code. Where the last column in the tables (“Specific Use Regulations”) includes a section number, the regulations in the referenced section apply to the use. Provisions in other sections of this article may also apply.

Table 3-2 – Nonresidential Use Table
Allowed Land Uses and Permit Requirements

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s)
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Accessory Storage		A ⁴	CUP ⁴	A ⁴	CUP ₄	CUP ₄			A ⁴	A ⁴	9-6.103
Adult Day Care Facility	A	A	A					CUP			
Adult Oriented Business			A	A					A	A	9-16
Age Restricted Housing							CUP				
Agricultural Produce Stands	A	A			A	A					9-6.117

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s))
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Amusement Services		A	A	A		A	A			A	
Animal Hospitals		CUP ₇	CUP	A		CUP					9-6.110
Artisan Foods and Products			A	A		A	A5		A	A	
ATM	A	A	A	A	A	A	A	A	A	A	
Auto Dealers (New and Used) and Supplies			CUP	CUP	CUP	CUP	CUP				9-6.163
Auto Repair and Services			CUP	A	A	CUP			A	A	9-6.168
Bar/Tavern			CUP		CUP	CUP	A				
Bed and Breakfast			CUP	CUP	CUP	CUP					
Brewery – Production				CUP		CUP			A	A	
Broadcast Studios			A	A							
Building Materials and Hardware w/ outdoor sales or storage area 10,000 sf or greater		CUP	CUP	CUP		CUP			CUP	CUP	9-6.165
Building Materials and Hardware w/ outdoor sales or storage area less than 10,000 sf		A	A	A		A			A	A	9-6.165
Business Support Services		A	A	A		A	A	A	A	A	
Caretaker's Residence/ Employee Unit		CUP	CUP	CUP							

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s))
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Childcare Center	A	A	A					CUP			9-6.125
Churches and Related Activities		CUP	CUP								9-6.121
Collection Stations	A ⁴	A ⁴	A ⁴	A ⁴	A ⁴	A ⁴			A ⁴	A ⁴	9-6.130
Contract Construction Services (Indoor)				A		A			A	A	
Contract Construction Services (Outdoor)				CUP					CUP	CUP	
Data and Computer Services Center		AUP		AUP		CUP			A	A	
Day Care											
Drive-Through Sales or Services	CUP	CUP	CUP	CUP	CUP	CUP					9-4.122
Eating and Drinking Places	A	A	A	A	A	A	A	A	A	A	
Farm Equipment and Supplies w/ outdoor storage or sales area 10,000 sf or greater			CUP	CUP		CUP			CUP	CUP	
Farm Equipment and Supplies w/ outdoor storage or sales area less than 10,000 sf			A	A		A			A	A	
Farmers' Market	CUP	CUP	CUP		CUP	CUP	A	A			
Financial Services and Banks	A	A	A	A	A	A	CUP	A			
Fuel Dealer				A ⁴		CUP			A ⁴	A ⁴	9-6.129

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required <input type="checkbox"/> Not Permitted										
	Permitted Uses By Zones										Special Regulation(s))
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
General Retail	A ⁴	A ⁴	A ⁴	A ⁴	A ⁴	A ⁴	A ⁴				
General Retail Greater than 50,000 sf	CUP	CUP	CUP	CUP	CUP	CUP	CUP				
Government Offices and Facilities	A	A	A	A	A	A	CUP ₉	A	A	A	
Health Care Services		A	A	A	CUP	A	CUP ₉	A			
Horticultural Specialties w/ outdoor storage or sales area 10,000 sf or greater		CUP	CUP	CUP	CUP	CUP			CUP	CUP	9-6.116
Horticultural Specialties w/ outdoor sales or storage area less than 10,000 sf		A	A	A	A	A					9-6.116
Hotels, Motels		CUP	A	A	A		CUP				
Indoor Recreation Services		CUP	CUP	CUP	A	A	CUP		CUP	CUP	
Kennels			CUP	A							9-6.111
Large Family Day Care		CUP ₈	CUP ⁸								9-6.125
Large Scale Ag Manufacturing				CUP					CUP	A	9-6.103
Laundries and Dry Cleaning Plants				A		A			A	A	
Laundromat/Coin- Operated Laundry	CUP	CUP	CUP	CUP	CUP	CUP			A	A	
Libraries, Museums		A	A	A	A		A	A			

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s))
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Live/Work Unit							A ¹				
Manufacturing and Processing – High Intensity ⁴				CUP		CUP			AUP	AUP	
Manufacturing and Processing - Low Intensity		CUP	CUP	A		A			A	A	
Medical Extended Care Services: 6 Residents or Less	CUP	CUP	CUP	CUP	CUP	CUP					9-6.134
Medical Extended Care Services: ⁷ Resident s or More			CUP								9-6.134
Medical Research		CUP		A		A		CUP	A	A	
Membership Organizations			A	A		CUP	CUP				
Microbrewery – Brewpub	A	CUP	A	A	A	A	A	A	A	A	
Mini-Storage				CUP		CUP			A	A	
Mobile Eating and Drinking Vendors ⁶	A	A	A	A		A	A		A	A	
Mortuary Services			CUP A	CUP A					A	A	
Multifamily Dwelling	CUP ₂	CUP ₂	CUP ²	CUP ²			A ¹	A ¹			
Offices	A	A	A	A	A	A	CUP ₉	A			
Outdoor Recreation Services			CUP	CUP	A						9-6.123
Parking Lots	AUP	AUP	AUP	AUP	AUP	AUP	AUP	AUP	AUP	AUP	

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s))
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Parks and Playgrounds							A	A			
Personal Service Restricted				A	CUP	CUP					
Personal Services	A	A	A	A	A	CUP	A				
Printing and Publishing		CUP	CUP			A ⁴			A ⁴	A ⁴	
Public Assembly and Entertainment			CUP	CUP	A	CUP	CUP				
RCFE – Assisted Living			CUP								9-6.135
RCFE – Independent Living/Senior Apartments	CUP		CUP	CUP							9-6.135
RCFE – Retirement Hotel	CUP		CUP	CUP							9-6.135
Recreational Vehicle Parks					A						9-6.180
Recycling and Scrap									CUP	CUP	9-6.131
Recycling Centers									CUP	CUP	9-6.132
Research and Development		CUP		A		A	CUP	A	A	A	
Residential Care: 6 Residents or Less							A ²	A ²			9-6.135
Retail Sales— Restricted				A	CUP	CUP					
Sales Lots					CUP	CUP			CUP	CUP	9-6.139
Schools		A	A	A			CUP	CUP			9-6.125

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s))
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Schools – Business and Vocational		A	A	A		A	CUP	CUP	CUP	CUP	9-6.125
Service Stations	CUP		CUP	CUP	CUP						9-6.164
Single-Family Dwelling							A ¹	A ¹			
Single-Room Occupancy Units			CUP								9-6.184
Small Family Day Care		A ⁸	A ⁸	A ⁸		A ⁸	A ⁸				
Social and Service Organizations		A	A	A							
Sports Assembly			CUP	CUP	A						
Storage, Recycling and Dismantling of Vehicles and Material				CUP					A	A	9-6.131
Tasting Room	A	CUP	A	A	A	A	A	A	A	A	
Telecommunication Facility	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	
Temporary Events	A/ CUP ₃	CUP	A/ CUP ³	A/ CUP ³	A/ CUP ³	A/ CUP ³	A/ CUP ₃	A/ CUP ₃	A	A	9-6.177
Temporary Offices		A	A	A							9-6.176
Temporary or Seasonal Sales	A	A	A	A	A	A	A		A	A	9-6.174
Transit Stations			CUP	CUP	A	CUP	CUP	CUP	CUP	CUP	
Utility Facilities		CUP		CUP	CUP	CUP	CUP	CUP	CUP	CUP	
Utility Infrastructure	A	A	CUP	A	A	A	CUP	CUP	A	A	

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s)
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Vehicle and Equipment Storage (Indoor) ⁴				A		CUP			A ⁴	A ⁴	9-6.183
Vehicle and Equipment Storage (Outdoor) ⁴				CUP ⁴					CUP ₄	CUP ₄	9-6.183
Vehicle and Freight Terminals				CUP					CUP	CUP	
Warehousing				CUP		CUP			A	A	
Wholesaling and Distribution Center ⁴		AUP	AUP	A ⁴		A ⁴			A ⁴	A ⁴	
Winery – Boutique			A ⁴	A ⁴	A ⁴	A ⁴	A ⁴		A ⁴	A ⁴	
Winery – Production				CUP		CUP			A ⁴	A ⁴	

Notes: (These notes apply only to Table 3-2).

1 Residential uses allowed only on second and third floors. If a project is required to provide a unit in compliance with the Americans with Disabilities Act, the handicapped accessible unit may be located on a first floor. A first floor unit shall be located in a non-storefront location within a tenant space.

2 Multifamily dwellings permitted when located on the second floor or above, or within an existing residential structure of historical significance.

3 Temporary events requiring more than 3 days for onsite setup and teardown require the approval of a conditional use permit (Section 9-2.110).

4 Outdoor commercial and industrial sales and storage developments (as defined by Section 9-9.102) of 10,000 square feet or more require the approval of a conditional use permit (Section 9-2.110), even if such a development is listed as an allowable use in a particular zoning district.

5 Handcrafted and artisan food production shall be ancillary to the retail component.

6 Mobile food vending permitted on private property with owner's permission and City review of parking and access on-site. Mobile food trucks used as part of an event may be permitted in the right-of-way with the issuance of an Event Permit.

7 When no overnight stays of animals are included.

8 Permitted when in association with conforming and legal nonconforming residences.

9 Allowed on ground floor south of Atascadero creek. Conditional use permit required on ground floor on Palma, East Mall, West Mall Entrada, Traffic Way and on El Camino Real north of Atascadero Creek as designated in Figure 3-1, subject to all of the following findings:

- The location and setting of the existing building is not ideal for pedestrian uses such as restaurants, retail or related uses.
- The existing building and site improvements are designed exclusively for office uses and could not accommodate other uses.
- The proposed new office use will be a significant contribution to economic development by providing new jobs, pedestrian traffic, and active uses in the downtown.
- The proposed new office will meet parking, accessibility, and property development standards and will not result in new parking along Atascadero Creek, East Mall or West Mall.

- e. The proposed new office building will provide a storefront and other architectural features that complement the pedestrian scale and retail environment desired within the downtown.

Zoning District Abbreviations

CN – Commercial Neighborhood
CP – Commercial Professional
CR – Commercial Retail
CS – Commercial Service
CT – Commercial Tourist
CPK – Commercial Park
DC – Downtown Commercial
DO – Downtown Office
IP – Industrial Park
I – Industrial

Figure 3-1



9-3.331: Mixed Use residential density

Mixed-Use developments within commercial zoning districts that allow for multi-family uses shall have a maximum base density of 24 dwelling units per acre.

9-3.430 Public districts allowable land uses.

Table 3-3 identifies the uses of land allowed this Zoning Code in each public district, and the planning permit required to establish each use, in compliance with Chapters 9-1 and 9-2 of this code. Where the last column in the tables (“Specific Use Regulations”) includes a section number, the

regulations in the referenced section apply to the use. Provisions in other sections of this article may also apply.

Table 3-3 Public Zone Uses
Allowed Land Uses and Permit Requirements

Public Zones	A Allowed Use, Zoning Clearance Required				
	CUP Conditional Use Permit Required				
	AUP Administrative Use Permit Required				
	<input type="checkbox"/> Not Permitted				
	Permitted Uses By Zones				Special Use Regulation(s)
	L	LS	P	OS	
Accessory Storage	A	A			9-6.103
Adult Day Care Facility			CUP		
Agricultural Accessory Uses		A			
Amusement Services	A	CUP			
Animal Hospitals			CUP		
ATM			A		
Bed and Breakfast	A	A			
Broadcast Studios			A		
Caretaker's Residence/Employee Unit	CUP				9-6.184
Cemeteries	CUP	CUP	CUP		
Childcare Center			CUP		9-6.125
Churches and Related Activities			CUP		9-6.121
Collection Stations	A	A	A		9-6.130
Day Care					
Eating and Drinking Places	CUP	CUP			
Farmers' Market	A	A	A		
Government Offices and Facilities			A		
Health Care Services			CUP		
Home Occupation		A			
Horticultural Specialties		CUP			
Hotels, Motels		CUP			
Indoor Recreation Services	CUP	CUP	A		

Public Zones	A Allowed Use, Zoning Clearance Required				
	CUP Conditional Use Permit Required				
	AUP Administrative Use Permit Required				
	<input type="checkbox"/> Not Permitted				
	Permitted Uses By Zones				Special Use Regulation(s)
	L	LS	P	OS	
Libraries, Museums	A	A	A		
Medical Extended Care Services: 6 Residents or Less			CUP		9-6.134
Medical Extended Care Services: 7 Residents or More			CUP		9-6.134
Membership Organizations	A		CUP		
Mini-Storage			CUP		
Mortuary Services			CUP		
Outdoor Recreation Services	A	CUP	A		9-6.123
Parking Lots			A		
Parks and Playgrounds	A	A	A	A	
Recreational Vehicle Parks	CUP	CUP	CUP		9-6.180
Residential Accessory Uses		A			9-6.106
Residential Care: 6 Residents or Less			CUP		9-6.125
Residential Care: 7 Residents or More			CUP		9-6.125
Schools			A		9-6.125
Schools—Business and Vocational	A		CUP		9-6.125
Single-Family Dwelling		A	CUP		
Sports Assembly	CUP				
Telecommunication Facilities	CUP	CUP	CUP		
Temporary Dwelling		A			9-6.176
Temporary Events	A	A	A		9-6.177
Temporary Offices			A		
Transit Stations	CUP		CUP		
Utility Facilities	A	A	A	CUP	
Utility Infrastructure	CUP	CUP	CUP	CUP	

Zoning Districts Abbreviations

L – Recreation

LS – Special Recreation

P – Public

OS – Open Space

9-3.500 Definitions.

Amend the following land-use definitions in AMC 9-3.500 as follows:

Agricultural Accessory Uses. Residential accessory uses that are part of small-scale and/or hobby agricultural activities incidental to the primary residential use of the property including structures that are designed to house farm implements, hay, grain, poultry, livestock, or other horticulture products. This does not include garages, workshops, or other similar residential accessory structures for non-agricultural uses.

Hotels, Motels. Commercial transient lodging establishments, including hotels, motor hotels, motels, tourist courts or cabins, primarily engaged in providing overnight or otherwise temporary lodging for less than 30-days, with or without meals, for the general public. Such establishments shall not provide kitchen facilities in more than twenty-five percent (25%) of the units.

9-4.107 Side setbacks.

The side setback is measured at right angles to the side property line to form a setback line parallel to the side property line, which extends between the front and rear setback areas. The minimum side setback is to be as follows:

(a) A, RS, RSF, LSF and RMF Zones and Residential Uses in Commercial and Industrial Zones. All residential uses except for second story dwellings over commercial and industrial uses shall have a minimum side setback of five (5) feet, except as follows:

(1) Corner Lots. The side setback on the street side of a corner lot is to be a minimum of ten (10) feet.

(2) A Corner Lot Adjacent to a Key Lot. A side setback equal to one-half (1/2) the depth of the required front setback of the key lot shall be provided, except that:

(i) Where the corner lot is less than fifty (50) feet in width, the setback is to be a minimum of ten (10) feet;

(ii) Where an alley is between the corner lot and a key lot, the setback on the street side of the corner lot is to be five (5) feet.

(3) Accessory Buildings. A side yard may be used for an accessory building no greater than twelve (12) feet in height, provided that it is not used for human habitation or the keeping of animals and is either:

(i) Located no closer than five (5) feet to any property line;

(ii) Located on the rear half of the lot; or

(iii) Established on the property line as a common wall structure pursuant to subsection (a)(4) of this section, or as a zero lot line structure, provided that all applicable Uniform Building Code requirements are satisfied for a property line wall.

(4) Common Wall Development. Any two (2) dwelling units, and/or their accessory garages, may be constructed on adjoining lots without setbacks between them provided that:

- (i) The setback has been eliminated through subdivision map or conditional use permit approval;
 - (ii) A common wall or party wall agreement, deed restriction or other enforceable restriction has been recorded;
 - (iii) The side setbacks opposite the common wall property line are not less than two (2) times the minimum width required by this section; and
 - (iv) Common wall construction is in compliance with the Uniform Building Code.
- (5) Zero Lot Line Development. A group of dwelling units on adjoining lots may be established so that all units abut one (1) side property line, provided that:
- (i) The setback has been eliminated for an entire block through subdivision map or conditional use permit approval;
 - (ii) The modified setback requirements for the block are recorded as part of a land division map, deed restriction, or other enforceable restriction;
 - (iii) The side setback shall not be eliminated or reduced on the street side of a corner lot; and
 - (iv) Side setbacks opposite the zero setback property line are not less than twice the minimum required by this section.
- (6) Access Easements. All access easements shall have a minimum setback of five (5) feet, measured from the edge of the easement.
- (7) Additional height for buildings in RMF. Multifamily dwellings exceeding twenty-five (25) feet in height shall have a ten (10) foot setback for all portions of the building over twenty-five (25) feet in height.
- (b) CN, CP, CR, CS, CT, CPK, IP, I and P Zones. No side setbacks are required. Ground floor residential uses are subject to the setback requirements of subsection (a) of this section.
 - (c) L and LS Zones. A minimum five (5) foot side setback is required.

9-4.112 Measurement of height.

The height of a building or structure is to be measured as the vertical distance from the highest point of the structure to the average of the highest and lowest points where the exterior walls touch the finish grade. The measurement of heights for fencing, walls, arbors or hedges shall be subject to Section 9-4.128.

9-4.113 Height limitations.

The maximum height for new structures is as follows:

- (a) Limitation by Zone.

Zone	Maximum Height
A, RS, RSF, LSF	30 feet
CN, CP, CR, CS, CT	35 feet
CPK, IP, I	45 feet

Zone	Maximum Height
LS, L, P	35 feet
RMF	35 feet (portions of buildings exceeding 25' shall require additional setbacks in accordance with Section 9-4.107)

(b) Exceptions to Height Limitations.

(1) Planning Commission Waiver. The height limitations of this section may be modified through conditional use permit approval, provided the Planning Commission first finds the project will not result in substantial detrimental effects on the enjoyment and use of adjoining properties and that the modified height will not exceed the lifesaving equipment capabilities of the Fire Department.

(2) Height Adjustment. The height limitations specified by subsection (a) of this section may be adjusted by approval of an administrative use permit (Section 9-1.112) for a single-family residential building to allow additional height, to a maximum of forty (40) feet, provided that the required side and rear setbacks are increased one (1) foot in width for each foot of height over thirty (30) feet.

(3) Downhill Lot. Where the average front-to-back slope of a lot is greater than one (1) foot of fall in seven (7) feet of distance from the centerline of the street to the rear face of the proposed building, up to ten (10) feet may be added to the rear building face, which is to be excluded from the height measurement (Section 9-4.112).

(4) Uninhabited Structures. The height limits specified in subsection (a) of this section do not apply to the following structures (measurement of height is to be from the ground, as set forth in Section 9-4.112):

(i) Radio and television receiving antennas of the type customarily used for home radio and television receivers, when fifty (50) feet or less in height.

(ii) Transmitting antennas used by licensed amateur (ham) radio operators when fifty (50) feet or less in height.

(iii) Flagpoles fifty (50) feet or less in height.

(iv) Grain elevators, silos, water tanks, windmills, wind generators and all other similar structures not containing residential uses and located in the A, RS, CR, CS, CPK, IP and I Zones.

(v) Chimneys no more than one hundred (100) feet in height located in the CPK, IP and I Zones and all other chimneys and roof vents extending no more than two (2) feet above the height limit specified in subsection (a) of this section.

(vi) Industrial towers, nonportable equipment and other uninhabited structures no more than sixty (60) feet in height located in the CPK, IP and I Zones.

(vii) All portable construction equipment.

(viii) Public utility poles and structures for providing electrical and communications services.

(ix) Solar collectors not more than five (5) feet above the height limit specified in subsection (a) of this section.

(x) Satellite receiving and similar communication dishes and devices in commercial and industrial zones, when no more than ten (10) feet above the maximum height in the zone.

(5) Architectural Projections/Features. The height limitations of this section may be increased up to forty (40) feet through administrative use permit approval to allow for non-habitable architectural features including, but not limited to, varied roof forms, tower elements, and cupolas with the intent of encouraging creative building design.

(i) To approve an administrative use permit to increase height the following findings shall be made:

- a. The additional height provides architectural interest and adds to a varied roofline.
- b. The added features will not block solar access to adjacent properties.

9-4.128 Fencing and screening.

Standards for fencing and screening are established by this section to protect certain uses from intrusion, to protect the public from uses that may be hazardous, and to increase compatibility between different land uses by visual screening. Fencing is the enclosure of an area by the materials identified in subsection (c) of this section. Screening is the enclosure of an area by a visual barrier, which may include solid fencing or other materials, as specified in subsection (c) of this section.

(a) Fencing and Screening—Where Required. Within the urban services line, the uses and areas listed in this subsection shall be fenced and/or screened, as indicated. Unless otherwise specified, fencing and screening are to be a minimum height of six (6) feet. Fencing and screening materials of a height greater than three (3) feet shall not be located within a required front setback or side setback adjacent to a street.

(1) Mechanical Equipment. When located outside of a building, support equipment, including air conditioning and heating devices, but not including plumbing or exhaust vents, or chimneys, shall be screened to the height of the particular piece of equipment, as follows:

(i) Roof-Mounted Equipment. To be screened by architectural features from the view of abutting streets.

(ii) Equipment at Grade. When located on the ground adjacent to a building, mechanical equipment shall be screened by landscaping, a solid wall or fencing from the view of the street or surrounding properties.

This subsection does not apply to single-family residential uses.

(2) Outdoor Storage. To be screened on all sides by a wall or fencing.

(3) Public Utility Substations. To be screened on all sides in a manner that will provide an effective visual barrier as well as the necessary safety clearances required by order of the California Public Utilities Commission.

(4) Side and Rear Lot Lines. The side and rear property lines of all nonresidential uses are to be screened as follows:

(i) Adjacent to a Residential Use or Zone. A solid wall or fencing shall be located on side and rear property lines of any nonresidential or nonagricultural use abutting a residential use or zone.

(5) Swimming Pools. Yard areas with private swimming pools are to be fenced to discourage unsupervised access and use by small children. Such fencing is to be constructed per building code requirements.

(b) Exceptions to Fencing and Screening Requirements.

(1) Buildings Abutting Property Lines. Required screening or fencing may be omitted along any lot line where a building wall exists immediately abutting the lot line.

(2) Location Adjustment. Where property fencing or screening is required, the location may be adjusted by approval of an administrative use permit (refer to Section 9-1.112 of this title), so the fencing may be constructed at or within the setback line, provided the areas between the fence and the property lines are landscaped, or in rural areas, retained in their natural vegetative state.

(3) Planning Commission Modification. Any of the requirements of this section may be waived or modified through conditional use permit approval, provided the Planning Commission first finds that specifically identified characteristics of the site or site vicinity would make required fencing or screening unnecessary or ineffective.

(c) Standards for Fencing and Screening Materials. All fencing and screening shall be allowed as follows:

(1) Height. Fence and screen height shall be permitted as follows:

(i) RS/RR/RSF-Z/RSF-Y (with one (1) acre net or larger) Zones.

a. Fencing within a required front or corner yard setback may be up to five (5) feet in height, provided that the top two (2) feet remain a minimum of eighty percent (80%) visibility. The fence shall not impair safe sight distance for vehicular traffic nor result in any other potential adverse impact on human health and safety (refer to engineering standard: Minimum Sight Distance for Driveways and Intersecting Roads with Stop Control).

b. Fencing associated with agriculture type activities including, but not limited to, “deer fencing” and other fencing that is a minimum of eighty percent (80%) visible may be up to seven (7) feet in height. Chain link fencing, wrought iron fencing, and any other decorative type of fencing is not considered “agriculture” type fencing for the purposes of this subsection.

c. Fencing within a required side or rear setback may be a maximum of six (6) feet in height.

(ii) RSF-Y (less than one (1) acre net) /RSF-X/LSF-Z/LSF-Y/LSF-X/RMF-10/RMF-20.

a. Fencing within a required front or corner yard setback can be a maximum of four (4) feet in height.

b. Fencing within a required side or rear yard setback shall be a maximum of six (6) feet in height.

(iii) Residential Gates:

a. Gates are permitted in single-family residential zoning districts for private driveways

b. Gates shall be setback a minimum of 20-feet from the right of way in accordance with Engineering standards.

c. Gates shall be a maximum of 12-feet in height and shall remain residential in nature

d. Gateposts and other superstructures over site entrances and exits may be up to twelve (12) feet in height.

e. Gates shall comply with emergency access standards

f. Gates shall not swing open toward the street unless the maximum swing is not closer than 16 feet from the edge of the right of way.

g. Gates or associated structures shall comply with minimum sight-distance standards.

h. A construction permit shall be required for all gates that exceed 6-feet in height or contain electrical components.

(iv) Height Measurement. Fence height shall be measured from the adjacent grade of the downhill side of the wall, fence, or hedge.

- a. Where fences or walls are located on retaining walls or berms, the height of the retaining wall or berm shall be considered as part of the overall height of the fence or wall if the retaining wall or berm exceeds 2-feet in height.
 - b. If a retaining wall is terraced and separated by five (5) feet of horizontal space or greater, they shall be considered individual walls for the purposes of measuring height.
- (2) The Design Review Committee (DRC) may grant an exemption to the front setback fencing requirement to a maximum of six (6) feet in height if proposed fence would be consistent with the neighborhood character and does not impair site distance for vehicular traffic, as reviewed by the City Engineer.
- (3) Permit to Exceed Height. A minor conditional use permit approval is required where fencing is proposed to be greater than six (6) feet in height within or outside any required setback, with the exception of fencing described in subsection (c)(1)(i)(b) or subsection (c)(1)(iv)(a).
- (4) Screening Materials Substitution. Where screening is required to be a solid wall or fence, the following materials may be substituted through adjustment (see Section 9-1.112 of this title), except where screening is required adjacent to a residential use or zone:
- (i) Landscape Screen. Screening plant materials may be substituted for a wall or fence, where:
 - a. Proposed plant materials are certified in writing by a registered landscape architect as having the capability of achieving sixty percent (60%) of total view blockage within eighteen (18) months of planting, and one hundred percent (100%) of total view blockage within thirty-six (36) months of planting; and
 - b. The applicant agrees in writing to install solid fencing after the expiration of thirty-six (36) months, in the event that the landscaping has not totally blocked the view of areas required to be screened.
 - (ii) Berms. A landscaped berm may be substituted for a wall or fence, provided that the combination of berm and landscaping is no less than the required height of the fence or wall, and that the berm is constructed with a maximum slope of three to one (3:1), with side slopes designed and planted to prevent erosion, and with a rounded surface a minimum of two (2) feet in width at the highest point of the berm, extending the length of the berm. The berm shall be planted with shrubs, lawn or groundcover.
 - (iii) Chain-Link Fencing. Vinyl-coated, chain-link fencing with evergreen landscape screen planting may be substituted for a solid wall or fence in commercial and industrial zones, except where screening fencing is required adjacent to residential uses and zones.

9-6.103 Accessory storage.

Where the principal building or use on a site is some use other than storage, and storage accessory to that use is also located on the site, the accessory storage is subject to the following standards (see also Section 9-6.140). A zoning approval is not required to establish accessory storage except when subsections (b) and (g) of this section requires such approval for a specific type of storage.

Where the principal building or use on a site is some use other than storage, and storage accessory to that use is also located on the site, the accessory storage is subject to the following standards (see also Section 9-6.140). A zoning approval is not required to establish accessory storage except when subsections (b) and (g) of this section requires such approval for a specific type of storage.

- (a) Outdoor accessory storage is limited to ten percent (10%) of the floor area of the principal building.

(1) Any size modification for outdoor accessory storage over ten percent (10%) of principal floor area will require a conditional use permit.

(b) Building Materials and Equipment. Building materials and equipment being used in a construction project on the same or adjacent site may be stored on or adjacent to the construction site as long as a valid building permit is in effect for construction on the premises. Building materials and equipment include stockpiles of construction materials, tools, equipment, and building component assembly operations. When storage is proposed on a lot adjacent to the construction site, the application for the project is to also describe the storage site. Temporary storage of construction materials on a site not adjacent to the construction is subject to Section 9-6.175.

(c) Commercial Vehicles. This subsection applies to the accessory storage of vehicles used for shipping and/or the delivery of freight and products in support of a business or used for other commercial activity, when such vehicles are larger than a standard passenger car, pickup truck or van. Storage means parking a commercial vehicle longer than for a single weeknight, weekend or holiday. The storage of vehicles as a principal use is subject to the standards of Section 9-6.183.

(1) Commercial vehicles are to be stored in an enclosed building unless otherwise allowed by the provisions of this code.

(2) The storage of agricultural vehicles in the A Zone is unrestricted.

(3) Commercial vehicles may be allowed in residential zones where the resident of the premises can show that:

(i) The site is of sufficient size to allow parking of the vehicle in the buildable area of the site; and

(ii) The number of such vehicles is limited to a maximum of one (1); and

(iii) The vehicle can be maintained on the site in a manner which will not be disturbing to nearby residents as a result of unsightly appearance, excessive noise, or operation between 9:00 p.m. and 7:00 a.m.; and

(iv) The vehicle due to its size, length or weight will not damage streets leading to the site beyond normal levels and will not create traffic safety problems due to maneuvering necessary to enter and exit the site; and

(v) There are no other suitable locations available to store the vehicle.

(d) Inoperative Vehicles. The storage or keeping of inoperative vehicles is subject to the following. Nothing in this title shall be construed as preventing the abatement of an inoperative vehicle which is found to be a nuisance:

(1) Vehicles Under Commercial Repair. The repair of vehicles is allowed only in commercial or industrial zones as provided by Chapter 9-3, except for repair of a personal vehicle by the vehicle owner on a site owned or rented by the vehicle owner. The storage of inoperative vehicles in a commercial or industrial zone for the purposes of repair, alteration, painting, impoundment or temporary storage by a towing service is subject to Section 9-6.168.

(2) Wrecked and Abandoned Vehicle Dismantling or Storage. Any area used for the dismantling of inoperative vehicles or for the storage of wrecked or abandoned vehicles not being dismantled or repaired is subject to Section 9-6.131.

(3) Automobiles Stored in Residential Areas. The storage of inoperative vehicles in a residential zone is limited to one vehicle when stored outdoors. Such storage may be located only where it is within the buildable area of the site. Inoperative vehicles may be abated as set forth in Chapter 9-8. Storage of

such vehicles within an approved accessory building (Section 9-6.106) is not subject to limitation on the number of vehicles.

(d) Accessory Storage of Flammable and Combustible Liquids. The accessory storage of flammable and combustible liquids is subject to the following standards:

(1) Limitations on Quantity. The quantity of flammable or combustible liquids stored on a site shall be limited as follows:

(i) Residential Zones. Ten (10) gallons, unless authorized through precise plan approval. Excluded from this requirement is the storage of flammable liquids in the fuel tanks of self-propelled vehicles, mobile power or heat generators or similar equipment and the storage of paints, oils, varnishes or combustible mixtures when such liquids are stored for maintenance, painting or similar purposes. The storage of propane or other fuels which provide energy to heat a residence is also excluded from this limitation, when such storage is in tanks directly connected to the residence for consumption or when the quantity is limited to a reasonable reserve for personal use which is stored in an approved manner.

(ii) Agricultural, Commercial and Industrial Zones. Storage shall be limited to the following quantities on any single building site, unless greater quantities are authorized through conditional use permit approval:

Type of Storage		
Type of Liquid	Above Ground	Underground
Combustible	1,000 gallons	Unlimited
Flammable	1,000 gallons	20,000 gallons

(2) Setbacks. Aboveground storage facilities for flammable or combustible liquids shall be set back a minimum of fifty (50) feet from any property line and from any residential use on the same property.

(3) Additional Standards.

(i) All storage of bulk flammable liquids shall be underground; except as specified by subsection (d)(1)(i) of this section; except where a refining or similar industrial use has been allowed in the CPK, IP or I Zone; and except, where an automobile service station or other approved vendor of flammable liquids stores such liquids for sale in approved quantities and containers.

(ii) All aboveground storage of flammable and combustible liquids shall be within types of containers approved by the Fire Department.

(iii) Access, circulation and emergency fire equipment requirements of the Fire Department shall be provided or installed within thirty (30) days where such need has been identified and posted by the Fire Department.

(f) Recreational Vehicles in Residential Zones. The storage of recreational vehicles or dependent trailers or RV equipment (camper shells, etc.), airplanes, and boats is permitted as an accessory use in the RSF, LSF, RMF, RS, or A Zones as follows (the storage of recreational vehicles in other zones is subject to Section 9-6.183; the storage of mobile homes is subject to Section 9-6.142(c)):

(1) Location of Storage. Recreational vehicles are not to be stored in the required front setback area.

(2) Use. Recreational vehicles are not to be used for living, sleeping or housekeeping purposes except as provided by Section 9-6.176.

(g) Scrap and Junk. The outdoor storage of scrap, junk and miscellaneous articles and materials accessory to another use is limited to a maximum area of two hundred (200) square feet, with a maximum height of five (5) feet except that the outdoor storage of scrap, junk and miscellaneous articles and materials accessory to another use may be allowed up to one thousand (1,000) square feet when completely screened from neighboring properties and from the public right-of-way. Such storage shall be located only where it is within the buildable area of the lot. The storage of scrap and junk as a principal use is subject to the standards of Section 9-6.131.

(h) Cargo Containers. Cargo containers (also referred to as “Seatrains” or shipping containers) are defined as a prefabricated metal structure designed for use as an enclosed truck trailer in accordance with Department of Transportation (DOT) standards. This does not include architecturally modified cargo containers used as a building material. The use of cargo containers for accessory storage purposes is permitted based on the following standards:

(1) Use of Cargo Containers.

(i) Cargo containers shall be utilized for accessory storage only. Occupancy shall be limited to a “U” occupancy consistent with the California Building Code (CBC) or its successor title.

(ii) Cargo containers shall not be used for permanent or temporary human occupancies, including, but not limited to, living, sleeping or other residential uses.

(2) Number of Cargo Containers Permitted.

(i) One (1) cargo container may be permitted on a commercial, industrial or single-family residential lot over one (1) gross acre in size, subject to Design Review Committee (DRC) review for neighborhood compatibility and approval of a building permit.

(ii) Two (2) or more cargo containers may be permitted with a minor conditional use permit (CUP) on a commercial, industrial, or single-family residential lot over one (1) gross acre in size, subject to Planning Commission review for neighborhood compatibility and approval of a building permit.

(3) Standards for Cargo Containers.

(i) Building Permit. A building permit is required for cargo containers over one hundred twenty (120) square feet in size. A cargo container which is one hundred twenty (120) square feet or less, is exempt from building permit requirements provided it meets property line and structure setbacks required by this title and does not have any utility connections.

(ii) Setbacks. Cargo containers shall be located in the rear half of the property in commercial, industrial and residential zones. Cargo containers shall not be permitted within the front or street facing side yard setback of a residential property. Setbacks shall be consistent with underlying zone setback requirements and is consistent with the preceding subsections (1) and (2).

(iii) Foundation. Cargo containers shall be anchored on a foundation system capable of withstanding all imposed vertical and horizontal loads and consistent with all applicable codes. Any alterations to the container shall be designed and detailed by a licensed design professional. All foundations and alterations shall be approved by the Chief Building Official.

(iv) The cargo container may not occupy any required parking areas or obstruct any Fire Department access ways.

(4) Exemptions.

(i) Use of cargo containers for temporary on-site storage associated with a construction project is exempt from this section (refer to subsection (b)).

(ii) Use of cargo containers for temporary commercial storage may be allowed with the approval of an administrative use permit for a period not to exceed four (4) months.

9-6.105 Home occupations.

An accessory use of a dwelling unit for gainful employment involving the manufacture, provision, or sale of goods or services is subject to the standards of this section.

(a) Appearance, Visibility and Location. The standards of this section determine what physical changes may occur in a dwelling unit to accommodate a home occupation and where on a residential site a home occupation may be conducted.

(1) Changes to the Dwelling. The home occupation is not to change the residential character of the outside appearance of the building, either:

(i) By the use of colors, materials, lighting, signs or by the construction of accessory structures or garages visible from off-site and not of similar character as the residence; or

(ii) By the emission of noise, glare, flashing lights, vibrations or odors not commonly experienced in residential areas.

(2) Display of Products. The display of home occupation products for sale, in a manner visible from the public street or adjoining properties, is prohibited.

(3) Outdoor Activities. On sites of less than one (1) acre, the use shall be conducted entirely within a principal or accessory structure except instructional activities that may be performed outdoors. Outdoor storage of materials related to the home occupation is allowed only on parcels one (1) acre or larger (except as otherwise provided by Section 9-6.103), where such storage is to be screened from view of any street or adjacent property.

(4) Use of Garage or Accessory Structure. The use of a garage or accessory structure is allowed subject to Section 9-6.106, except that the conduct of the home occupation shall not preclude the use of the garage for vehicle parking unless any required replacement parking can be accommodated on-site.

(b) Area Devoted to a Home Occupation. The home occupation shall be incidental and subordinate to the principal use of the site as a residence.

(c) Employees. No person other than members of the household residing on the premises may be employed and working on the site, except that employees, including independent contractors, partners, and similar employee-type relationships, may be permitted through administrative use permit approval (refer to Section 9-1.112) as follows:

(1) The number of employees shall be unlimited, if the following criteria can be complied with:

(i) The employees do not work at or report to the site of the home occupation during, or immediately before or after, the normal operating hours of the business.

(ii) No additional vehicles, equipment, or outside storage shall occur at the residence as a result of the increased number of employees.

(2) A maximum of two (2) employees, if the following criteria can be complied with:

(i) No additional client vehicles are generated to the premises as a result of the increased number of employees.

(ii) The function of the employees in working on the site is to provide direct service to the employer rather than to the clients of the business.

(iii) It is necessary for the operation of the business to have the employees working at the site of the home occupation.

(iv) Any additional vehicles, equipment, or outside storage can be maintained on the site in compliance with subsection (a) of this section.

(v) The allowance of employees will not have any adverse effect on the surrounding residential area.

(d) Hours of Operation. Hours of operation are unrestricted except that home occupations which generate sounds audible from off-site shall be limited to the hours from 7:00 a.m. to 7:00 p.m., provided that such home occupation complies with the standards of Chapter 9-14.

(e) Limits on the Kinds of Home Occupations Allowable. Subject to all of the standards of this section, allowable home occupations consist of:

(1) Office-type personal or business services (including personal instruction such as music lessons or contracting services not involving on-site storage of materials or equipment) that do not involve the presence of more than one (1) client vehicle at any one (1) time;

(2) Handcraft or artwork production, including but not limited to pottery and ceramics, artistic glass or metalwork, electronic components, woodcarving and woodworking (except for mass-production operations such as cabinet shops), antique furniture restoration, painting and photography, except when such use involves on-site use of equipment requiring more than standard household electrical current at one hundred ten (110) or two hundred twenty (220) volts or that produces noise (refer to Chapter 9-14), dust, odor or vibration detrimental to occupants of adjoining dwellings.

(3) The personal sale of cosmetics, personal or household products (except appliances), or other goods or products; when such sales occur on the premises of the purchaser, provided that wholesale sales may occur pursuant to subsection (f) of this section, or occur off the premises in some other approved location.

(4) Small-scale agricultural accessory uses and horticultural specialties.

(f) Sale of Products. On-site retail sales of the products of a home occupation are prohibited, except:

(1) Garage sales or the sale of handcrafted items and artwork produced on-site are allowed not more than twice per year, for a maximum of two (2) days per sale; and

(2) Home distributors of cosmetics and personal or household products may supply other approved home occupation proprietors.

(3) Agricultural produce stands are permitted consistent with section 9-6.117

(g) Signing. One (1) identification sign with a maximum area of two (2) square feet may be erected pursuant to Chapter 9-15. A commercial vehicle carrying any sign identifying the home occupation and parked on or adjacent to the residential site visible from the public street is included in determining the maximum allowable area of on-site fixed signs.

(h) Parking and Traffic. Traffic generated by a home occupation is not to exceed the volume normally expected for a residence in a residential neighborhood. All parking needs of the home occupation are to be met off the street. For purposes of this section, normal residential traffic volume

means up to ten (10) trips per day. This subsection does not apply to garage or handcraft sales pursuant to subsection (f)(1) of this section.

9-6.106 Residential accessory uses.

The standards of this section apply to the specific types of residential accessory uses and structures as listed. Standards for agricultural accessory structures are subject to section 9-6.109. Agricultural accessory structures for the keeping of animals are subject to Section 9-6.112.

(a) **Swimming Pools.** Swimming pools, including hot tubs, spas, and related equipment, may be located within any required side or rear setback, provided that they are no closer than eighteen (18) inches to a property line (additional setbacks may be required by the adopted building code), and provided that they are fenced as required by Section 9-4.128.

(b) **Detached Accessory Structures.** Any detached accessory structure intended for residential accessory uses and accessory storage.

(1) **Limits on Use.** An accessory structure may be constructed or used solely for noncommercial hobbies or amusements; for maintenance of the principal structure or yards; for artistic endeavors such as painting, photography or sculpture; for maintenance or mechanical work on vehicles owned or operated by the occupants; for an approved home occupation; or for other similar purposes.

(2) **Floor Area.** The gross floor area of a detached accessory structure is not to exceed one hundred percent (100%) of the gross floor area of the principle structure, up to ~~3,000~~ **2,000** square feet.

(i) The floor area may be increased by approval of an administrative use permit (Section 9-1.112) to allow additional floor area over the specified limits, when consistent with the appearance and design criteria in section 9-6.106 (3) and when additional findings can be made to support an increased size.

(3) **Appearance and Design.** An accessory structure that exceeds fifty percent (50%) of the gross floor area of the principle structure shall adhere to the following criteria:

- (i) Accessory structure shall not be located between the primary structure and the public roadway
- (ii) Accessory structure shall be compatible with the pattern of development in the neighborhood (there are similar structures on adjacent properties, and properties are of a size, nature and topography so as to not create a significant aesthetic impact)
- (iii) Accessory structure is compatible or complementary with the architectural style of the primary structure.
- (iv) The floor area of the accessory structure is equal or lesser than the floor area of the primary structure
- (v) The accessory structure is located on a conforming lot.
- (vi) The accessory structure can be built to avoid substantial grading and the removal of significant native trees
- (vii) The accessory structure does not block sunlight for adjacent properties, alter site distance for roads or driveways, nor substantially alter the visual quality of the property.

(viii) The accessory structure shall be located no closer than ten (10) feet to the side property line as measured from the nearest roof eave.

(ix) The accessory structure shall be located no closer than forty (40) feet to the nearest residential dwelling on an adjacent property.

(4) Residential accessory structures one hundred twenty (120) square feet or less are exempt from requiring a permit if the structure is incidental to the primary use and meets the following requirements:

- (i) The structure does not create a nuisance;

- (ii) The use of the structure is permitted under its zoning;
 - (iii) The structure meets the property's rear and side yard minimum setback requirement of three (3) feet if the structure is less than twelve (12) feet in height;
 - (iv) If the structure is more than twelve (12) feet in height, standard setback shall be required regardless of exemption;
 - (v) The accessory structure is located outside of the required front yard setback;
 - (vi) A minimum (5) foot setback is required between structures. If structures are abutting, the aggregate area of the buildings shall be considered one (1) building and shall require a building permit.
 - (vii) Hoop structures/greenhouses: Limited to two (2) per residential property. Additional structures may be approved with DRC approval.
- (5) Number of Structures. The number of non-exempt accessory structures requiring a building permit shall be limited to two (2) structures.
- (c) Mini-bike, motorcycle, dirt bike or similar two (2) or more wheel motor vehicle riding is allowed subject to the following limitations:
 - (1) No more than two (2) such vehicles shall be operating at the same time.
 - (2) Operation is limited to a maximum of two (2) hours in a day—Limit applies even if only one (1) such vehicle is being operated.
 - (3) Operation is limited to a maximum of eight (8) hours in a week:
 - (i) This limit applies even if only one (1) such vehicle is operated;
 - (ii) A week shall be measured from Monday through Sunday.
 - (4) Notwithstanding the above, no such use shall be allowed prior to noon on Sundays.
 - (6) Any violations to the above-mentioned limitations are subject to cost recovery for responses to disturbances, as listed in Section 9-14.14.
 - (d) Exceptions to Accessory Structure Standards.
 - (1) Detached accessory structures that deviate from requirements are subject to the approval of a minor conditional use permit.
 - (2) Any detached accessory structure in excess of the two (2) structures permitted or when multiple exempt accessory structures (less than one hundred twenty (120) square feet) are constructed on the premises that are no longer accessory uses to the primary unit as determined by the Community Development Director is subject to the approval of a minor conditional use permit.
 - (e) Agricultural accessory uses. This subsection applies to small-scale agricultural uses that are incidental to a primary use in residential zoning districts.
 - (1) Hobby crop production and processing. Incidental crop production and small-scale processing is permitted subordinate to the residential use of the property. Any accessory structures used for this purpose must comply with accessory structure standards of this section.
 - (i) Agriculture intended for commercial use must also comply with Home Occupations standards as listed in Section 9-6.105.
 - (2) Produce stands are permitted in compliance with Section 9-6.117.
 - (3) Farm Animal Raising is permitted in compliance with Section 9-6.112.

9-6.112 Farm animal raising.

The raising or keeping of farm animals incidental to a residential use is allowed subject to the standards of this section, provided that these standards do not apply to domesticated household pets such as cats and dogs, which are governed under section 4-1.119.

(a) Minimum Site Area. The minimum site area of a parcel used for farm animal raising shall be as specified in this subsection, unless a smaller site area is allowed as set forth in subsection (h) of this section. Adjacent parcels may be used to achieve the minimum site area by administrative use permit approval (Section 9-1.112) provided that there is a written agreement with the owner of the adjacent parcel(s); that said adjacent property is accessible for use by the animals for corrals, pens, pasturing or similar activity; that said adjacent property is not necessary to comply with minimum site area or animal density requirements for animals on its own site; and that any such adjustment shall only be valid for the duration of the agreement.

(1) Large Animals.

(i) Horses, burros, donkeys, and similar equines: One (1) acre.

(ii) Cows, steer, and similar bovines: One (1) acre.

(iii) Pigs and swine: One (1) acre.

(2) Small Animals.

(i) Goats, sheep and similar ovines: One-half (1/2) acre.

(ii) Poultry (and similar ground birds): None.

(iii) Rabbits (and other non-carnivorous animals of similar size): None.

(iv) Turkeys: One-half (1/2) acre.

(v) Birds (including pigeons and other caged birds): None.

(b) Setbacks. All buildings used to house farm animals including livestock and poultry buildings, barns, stables, lofts, coops, and similar accessory structures are subject to the setback requirements of Section 9-6.109. All other animal enclosures including corrals, pens, feed areas, paddocks, uncovered stables and similar enclosures are subject to the setback requirements of this subsection. The occasional grazing of domestic animals in these setbacks is allowed provided that the pasture area is adequately fenced or that the grazing animal is securely restrained. Setbacks shall be measured from the nearest building used for residential purposes on adjacent property. Animals may be maintained at lesser setbacks when they were established prior to the residence on the adjacent property provided that the animals are continuously in compliance with subsection (c) of this section. If the animals are not so maintained, they may be required to comply with these setbacks.

(1) Large Animals.

(i) Equines: Fifty (50) feet.

(ii) Bovines: Fifty (50) feet.

(iii) Swine: One hundred (100) feet.

(2) Small Animals.

(i) Ovines: Fifty (50) feet.

(ii) Poultry: Twenty-five (25) feet.

(iii) Rabbits: Twenty-five (25) feet.

(iv) Turkeys: Fifty (50) feet.

(v) Birds: None.

(c) Maintenance. All buildings housing domestic animals, all animal enclosures, and all pasture areas shall be maintained free from litter, garbage and the accumulation of manure. Premises shall be maintained in a neat and sanitary manner. If farm animals are not maintained in compliance with these standards, or are otherwise allowed to become a nuisance, the Planning Department shall initiate enforcement proceedings as provided by Chapter 9-8.

(d) Special Requirements. The keeping of specific domestic animals is subject to the special standards in this subsection in addition to other standards set forth in this section.

(1) Equines. None.

(2) Bovines. None.

(3) Swine. The maximum number of swine allowed on any parcel is three (3) sows and one (1) boar regardless of animal equivalency units.

(4) Ovine. None.

(5) Poultry. The maximum number of poultry allowed on any parcel is forty (40) regardless of animal equivalency units.

(6) Rabbits. All rabbits shall be contained in coops or pens and not be allowed to run free on a site. The maximum number of rabbits allowed on any parcel is forty (40) regardless of animal equivalency units.

(7) Turkeys. All turkeys shall be contained in coops or pens and not be allowed to run free on a site. The maximum number of turkeys allowed on any parcel is eight (8) regardless of animal equivalency units.

(8) Birds. None.

(e) Establishment of Animal Equivalency Units. Animal equivalency units are established in this subsection in order to define relationships among domestic animals of various sizes for use in determining allowable animal density.

(1) Large Animals.

(i) Equines: Each equine equals one (1) animal equivalency unit.

(ii) Bovines: Each bovine equals one (1) animal equivalency unit.

(iii) Swine: Each swine equals one (1) animal equivalency unit.

(2) Small Animals.

(i) Ovine: Two (2) ovine equal one (1) animal equivalency unit.

(ii) Twenty (20) poultry equal one (1) animal equivalency unit.

(iii) Rabbits: Twenty (20) rabbits equal one (1) animal equivalency unit.

(iv) Turkeys: Two (2) turkeys equal one (1) animal equivalency unit.

(v) Birds: Not applicable.

(f) Allowable Animal Density. The maximum allowable animal density for a site is established by this subsection, unless a larger number is allowed as set forth in subsection (h) of this section.

(1) A Zone. No density limitations.

(2) RS Zone. Three (3) animal equivalency units per acre, provided that, for the first two (2) acres, no more than one (1) large animal shall be allowed for each full one-half (1/2) acre.

(3) RSF Zone. Two (2) animal equivalency units per acre, provided that no more than one (1) large animal shall be allowed for each full one-half (1/2) acre.

(g) Method of Calculating Animal Density. The method of calculating animal density is established by this subsection. The lot size (in gross acres) is multiplied by the allowable animal density (in animal equivalency units per acre) for the particular zoning district. The product is the maximum number of animal equivalency units allowed on the site. As an example, a 1.9 acre parcel in the RS Zone would allow 5.7 animal equivalency units which can be rounded off to six (6) as provided by Section 9-1.109(b)(4). This would allow two (2) equivalency units for large animals and four (4) equivalency units for small animals.

(1) Birds. Birds shall not be restricted as to density and shall not affect the allowable animal density on a parcel.

(2) Fraction of an Equivalency Unit. Since rounding off to whole numbers is provided for (Section 9-1.109), there will be no fractional equivalency units. Small animal equivalency units may not be divided between the various small animal subcategories. For example, ten (10) rabbits does not equal one-half (1/2) animal equivalency units and ten (10) rabbits and ten (10) poultry do not add together as one (1) animal equivalency unit.

(3) Unweaned Offsprings. Unweaned offsprings are permitted and shall not affect the allowable animal density on a parcel.

(h) Modification of Certain Standards. The minimum site area and allowable animal density standards set forth in this section may be adjusted subject to compliance with the criteria set forth in this section, except that these standards may also be modified through conditional use permit approval (refer to Section 9-2.110) if these criteria cannot be satisfied. The setback, maintenance and special requirements standards may not be modified by conditional use permit.

(1) Youth Projects. An adjustment not to exceed one (1) additional animal equivalency unit per acre or an adjustment to reduce the minimum site area by no more than twenty-five (25) percent may be granted for a youth project sponsored by a recognized organization, subject to the following criteria:

(i) The project is for a limited duration with a known termination date at which time the project animal will be removed from the site and the site brought into conformance with all applicable standards; and

(ii) There is an adult project supervisor who has reviewed and approved, in writing, the project and who can take corrective action if necessary regarding the project; and

(iii) All other standards of the section including setbacks, maintenance and special standards applicable to the project are and will be continuously satisfied; and

(iv) The site otherwise conforms to the standards set forth in the section; and

(v) All animals maintained on the site are owned by the residents of the premises; and

(vi) The youth involved in the project has demonstrated in prior adjustments, if applicable, the responsibility to maintain the project in a satisfactory manner.

(2) Small-Scale Breeding. An adjustment not to exceed one (1) animal equivalency unit for each of the first two (2) acres and two (2) animal equivalency units for each remaining acre may be granted for

small-scale breeding for commercial purposes which does not exceed the special standards of subsection (d) of this section, subject to the following criteria:

- (i) The site is located outside the urban services line; and
 - (ii) The site contains a minimum of three (3) acres; and
 - (iii) Secure enclosures are provided for any stud animals; and
 - (iv) Setbacks for any agricultural accessory buildings and animal enclosures are one hundred (100) feet from adjacent property lines; and
 - (v) A business license and home occupation permit (Section 9-6.105) can be secured.
- (i) Other Animals. Domestic animals not specified in this section shall be reviewed by the Planning Director and shall be placed in the category which the animals most closely resemble.
- (j) The grazing of animals is permitted when an individual property adheres to the density regulations of this section and may occur regardless of establishment of a primary use.

9-6.113 (Reserved).

9-9.102 General Definitions.

Amend the definition of Agricultural Accessory Uses in AMC 9-9.102 as follows:

Lot, corner: side and front. A corner lot is located immediately adjacent to the intersection of two (2) public vehicular rights-of-way, including railroads.

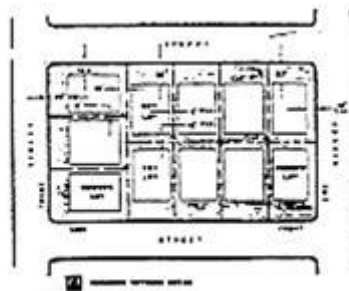


FIGURE 9-D: CORNER LOT AND KEY LOT



Atascadero City Council

Staff Report - Community Development Department

Adoption of Amendments to Title 9 Chapter 17 (Cannabis Activities & Regulations) Municipal Code Amendments to add non-storefront Cannabis delivery services and security provisions (CPP20-0011)

RECOMMENDATION:

Council adopt on second reading, by title only, by title only, Draft Ordinance amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, based on findings.

DISCUSSION:

Staff is introducing for second reading amendments to Title 9 Chapter 17 of the Municipal Code to allow for non-storefront Cannabis retail businesses (delivery) to locate in the City of Atascadero with the approval of a Conditional Use Permit (CUP), subject to specific performance standards including security criteria, and all requirements of state and local licensing. At the May 25, 2021 City Council meeting, the attached amendments to Title 9 Chapter 17 were reviewed and approved by the City Council on a 5-0 vote. Attachment A includes a draft of the text amendments.

FISCAL IMPACT:

These zone text amendments may result in slightly positive fiscal impacts as a result of minor increases in cannabis and sales tax revenue.

ATTACHMENTS:

Draft Ordinance

DRAFT ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING THE ATASCADERO MUNICIPAL CODE TITLE 9, CHAPTER 17 (CANNABIS ACTIVITIES & REGULATIONS) AND DETERMINING THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, an application has been received from the City of Atascadero to amend Title 9, Planning and Zoning, to implement provisions of the Medicinal and Adult Use of Cannabis Regulation and Safety Act (MAUCRSA) for new regulations pertaining to cannabis regulations within the City of Atascadero; and

WHEREAS, the laws and regulations relating to the preparation and public notice of environmental documents, as set forth in the State and local guidelines for implementation of the California Environmental Quality Act (CEQA), have been adhered to; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Zone Text Change application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said zoning text amendments; and

WHEREAS, the Planning Commission of the City of Atascadero, at a Public Hearing held on April 20, 2021, studied and considered the proposed zone text amendments to the Title 9 Chapter 17; and

WHEREAS, a timely and properly noticed Public Hearing upon the subject Zoning Text Change application was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Zoning Text Amendments; and

WHEREAS, the City Council of the City of Atascadero, at a Public Hearing held on May 25, 2021, studied the Planning Commission's discussion and suggestions and voted to approve the proposed zoning text amendments.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Recitals: The above recitals are true and correct.

SECTION 2. Public Hearing. The City Council of the City of Atascadero, in a regular session assembled on May 25, 2021, resolved to introduce for first reading, by title only, an Ordinance that would amend Title 9 Chapter 17 Cannabis Activities and Regulations as shown in Exhibit A, attached hereto and incorporated herein by this reference.

SECTION 3. Facts and Findings. The City Council makes the following findings, determinations and approvals with respect to the Zone Text Amendment:

A. Findings for Approval of a Zone Text Change

FINDING: (i) The Title 9 Chapter 17 text amendment is consistent with General Plan policies and all other applicable ordinances and policies of the City.

FACT: The proposed zone text amendments align the code requirements with the vision, intent and policies of the adopted General Plan.

FINDING: (ii) This Amendment of Title 9 Chapter 17 will provide for the orderly and efficient use of lands where such development standards are applicable.

FACT: The proposed text amendment provides for orderly development in accordance with the adopted General Plan for the compatible use of the property based on neighborhood characteristics.

FINDING: (iii) The Text Change will not, in itself, result in significant environmental impacts.

FACT: The proposed text changes are minor and do not trigger any environmental impacts.

SECTION 4. CEQA. The proposed zoning text change is exempt from the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3).

SECTION 5. Approval. Atascadero Municipal Code Title 9 Planning & Zoning Chapter 17 is amended as detailed in Exhibit A, attached hereto and incorporated herein by this reference.

SECTION 6. Interpretation. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 7. Preservation. Repealing of any provision of the Atascadero Municipal Code or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 8. Effect of Invalidation. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the Atascadero Municipal Code or other City Ordinance by this Ordinance will be rendered void and cause such previous Atascadero Municipal Code provision or other City Ordinance to remain in full force and effect for all purposes.

SECTION 9. Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 10. Notice. The City Clerk is directed to certify the passage and adoption of this Ordinance, cause it to be entered into the City of Atascadero's book of original ordinances, make a note of the passage and adoption in the records of this meeting and within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 11. Effective Date. This Ordinance will take effect on the 30th day following its final passage and adoption.

INTRODUCED at a regular meeting of the City Council held on May 25, 2021, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on June 8, 2021.

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian A. Pierik, City Attorney

EXHIBIT A

Chapter 17 Cannabis Activities & Regulations

9-17.001 Title.

This chapter shall be known as the cannabis regulations of the City of Atascadero. (Ord. 612 § 2, 2017)

9-17.002 Purpose and intent.

(a) **Purpose.** It is the purpose and intent of this chapter to implement the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) and to provide access to adult-use of cannabis for persons over the age of twenty-one (21) as authorized by “Proposition 64” passed by California voters in 2016, while imposing sensible reasonable regulations on the use of land to protect the City’s residents, neighborhoods, and businesses from disproportionately negative impacts. As such, it is the purpose and intent of this chapter to regulate the cultivation, processing, manufacturing, testing, sale, delivery, distribution and transportation of medicinal and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety and welfare of the residents of Atascadero and to enforce rules and regulations consistent with State law.

(b) **Non-Conflicting Enactment.** Nothing in this chapter is intended to authorize the possession, use or provision of cannabis for purposes that violate State or Federal law.

(c) **Additional Provisions.** The provisions of this chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the City, and are in addition to any permits, licenses and approval required under State, County, or other law. (Ord. 612 § 2, 2017)

9-17.003 Definitions.

For the purposes of this chapter, the following definitions shall apply.

(a) **Accessory Structure.** An accessory structure is a detached structure, with a “u” occupancy that is accessory to and subordinate to the primary residential use.

(b) **Cannabis.** “Cannabis” shall have the meaning set forth in Business and Professions Code Section 26001(f), which includes all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code.

(c) **Cannabis Canopy.** All areas occupied by any portion of a cannabis plant, encompassing all vertical planes (i.e., stacking of plants), whether contiguous or noncontiguous on any one (1) site. “Cannabis canopy” shall be measured by taking the longest length and widest width of existing plants (including all gaps and open areas between plants) and multiplying the length and width to get square footage.

(d) **Cannabis Greenhouse.** A fully enclosed permanent structure that is clad in transparent material. Cannabis cultivation within an enclosed, non-transparent greenhouse is considered indoor cultivation.

(e) **Cannabis Hoop Structure.** A readily removable plastic covered hoop structure without in-ground footings or foundations, which are not more than twelve (12) feet in height and do not have vertical sides that exceed four (4) feet in height. Cannabis hoop structures are accessory uses on residential land use categories which shall not exceed one hundred twenty (120) square-feet. Cannabis cultivation within hoop structures is considered outdoor cultivation.

(f) **Cannabis Operating license.** An annual cannabis operating license as may be required by the City of Atascadero pursuant to Title 3 of this code to operate a commercial activity within the City whether the business is located within the City or not.

(g) **Cannabis Testing Facility.** A facility, entity, or site that offers or performs testing of cannabis or cannabis products and that is both accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state, and registered with and licensed by the California State Department of Public Health.

(h) **Commercial Cannabis Activity.** “Commercial cannabis activity” shall have the meaning set forth in Business and Professions Code Section 26001(k), which includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis or cannabis products as provided in MAUCRSA (Business and Professions Code Section 26000 et seq.) and for which a state license is required. Commercial cannabis activity shall also include the sale or distribution of cannabis and/or cannabis products, in exchange for compensation in any form, for medicinal purposes under Health and Safety Code Sections 11362.5 and 11362.7 et seq.

(i) **Cultivation.** “Cultivation” shall have the meaning set forth in Business and Professions Code Section 26001(l), which includes any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

(j) **Day Care Center.** “Day care center” shall have the same meaning as Health and Safety Code Section 1596.76, which means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school-age child care centers.

(k) **Fully Enclosed Structure.** A fully enclosed space within a building or separate structure that complies with the California Building Code (CBC), as adopted by the City of Atascadero, or if exempt from the permit requirements of the CBC, that has a complete roof, foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, and non-transparent walls on all sides.

(l) **Indoor Cultivation.** Cultivation, as defined in subsection (h), of this section, within a fully enclosed structure, as defined in subsection (j) of this section.

(m) **Outdoor Cultivation.** Any location within the City of Atascadero that is not within a fully enclosed structure, or cannabis green house, as defined in subsection (d) of this section.

(n) **Personal Cultivation.** Cultivation of cannabis at a private residence, as defined by subsection (n) of this section, for non-commercial cannabis activities, which is defined in subsection (g).

(o) **Private Residence.** A house, apartment unit, mobile unit, or other similar dwelling unit that is legally permitted within the City of Atascadero, and is considered a residential occupancy type in the California Building Code, as adopted by the City of Atascadero.

(p) **Retail Non-Storefront Facility.** A “retail non-storefront facility” is a commercial cannabis facility that operates out of a state and City licensed commercial business location which sells cannabis goods to customers exclusively through delivery with no on-site customer services of any kind.

(q) **School.** A private or public educational facility providing instruction in kindergarten or grades 1 through 12.

(r) **State Cannabis Laws.** “State Cannabis Laws” shall mean and include California Health and Safety Code Sections 11362.1 through 11362.45; California Health and Safety Code Section 11362.5

(Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act); California Health and Safety Code Sections 26000 through 26211 (Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”)); California Health and Safety Code Sections 26220 through 26231.2; the California Attorney General’s Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in August, 2008, as such guidelines may be revised from time to time by action of the Attorney General; California Labor Code Section 147.5; California Revenue and Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game Code Section 12029; California Water Code Section 13276; all State regulations adopted pursuant to MAUCRSA; and all other applicable laws of the State of California.

(s) **Youth Center.** “Youth center” shall have the same meaning as Health and Safety Code Section 11353.1, which includes any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities. (Ord. 612 § 2, 2017)

9-17.004 Personal cannabis cultivation.

The following regulations pertain to the personal cultivation of cannabis.

(a) All cannabis cultivation is prohibited within the City except that no more than six (6) living cannabis plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one (1) time. In no instance may personal cultivation occur on vacant property.

(b) **Indoor Cultivation Regulations.** Indoor cultivation on residential properties is subject to the following regulations:

(1) Indoor cannabis cultivation shall only occur inside a private residence or an accessory structure to a private residence that is fully enclosed and secured against unauthorized entry.

(2) **Sleeping Rooms within Residential Occupancies.** Indoor cultivation may not occur inside rooms designed for sleeping. Sleeping rooms are defined by the California Building Code for residential occupancies.

(c) **Outdoor Cultivation.** Outdoor cultivation on residential properties is subject to the following regulations:

(1) **Visibility.** Outdoor cannabis cultivation shall not be visible from public rights-of-way or neighboring properties.

(2) **Screening.** Outdoor cannabis cultivation must be completely screened with permanent fencing and/or landscaping. Fencing must be compatible with the neighborhood and be constructed of wood pickets, block, or other typical fencing materials.

(3) **Prohibited Fence Types.** Electrical fencing, razor wire fencing, chain link fencing, barbwire, plywood and other unfinished materials; shade cloth, plastic, plywood, OSB and other temporary screening materials shall not be allowed.

(4) **Fencing Height.** Fencing for screening of outdoor cannabis cultivation must not exceed seven (7) feet in height, measured from natural grade. Additional plastic or other materials attached, suspended, or supported beyond the seven (7) foot height limitation shall be prohibited.

(d) **Setbacks.** Personal cannabis cultivation shall be subject to the following setback requirements:

(1) **Property line.** Cannabis greenhouses, cannabis hoop-structures, and all outdoor cannabis cultivation must be located fifteen (15) feet or more from the edge of property lines.

(2) Distance from Adjacent Residences. Cannabis greenhouses, cannabis hoop-structures, and all outdoor cannabis cultivation must be located twenty-five (25) feet or more from the nearest adjacent residence.

(3) Front Setback. No cannabis cultivation may occur within a designated front setback as defined in Section 9-4.106 of this title.

(e) Total Coverage of Personal Cannabis Cultivation.

(1) Indoor Cannabis Cultivation. Indoor cannabis cultivation shall not take up more than one hundred twenty (120) square feet of indoor residential space.

(2) Outdoor Cannabis Cultivation. Outdoor cannabis cultivation shall not take up more than one hundred twenty (120) square feet of cannabis canopy coverage.

(f) Property Owner Consent. Where a private residence is not occupied or inhabited by the owner of the residence, the owner of the property must provide written consent expressly allowing cannabis cultivation to occur at said private residence.

(g) Applicability of Adopted Building Codes. All personal cannabis cultivation at a private residence shall comply with applicable Building Code requirements set forth in the Atascadero Municipal Code Title 8.

(h) Use of Solvents. There shall be no use of gas products (CO₂, butane, propane, natural gas, etc.) on a property for purposes of cannabis cultivation.

(i) Waste Disposal. The following regulations apply to the disposal of cannabis waste on residential property:

(1) Cannabis and cannabis infused products must be disposed in a secure waste receptacle located on the residential property.

(2) Cannabis plants and products must be rendered unusable and unrecognizable by grinding and incorporating cannabis waste with any non-consumable solid waste with a resulting mixture of at least fifty percent (50%) non-cannabis waste. (Ord. 612 § 2, 2017)

9-17.005 Commercial cannabis activities.

All commercial cannabis activities are prohibited unless specifically allowed in this Table 17-1. It is unlawful for any person to commence, operate, engage in, to conduct, or carry on (or to permit to be commenced, operated, engaged in, conducted or carried on) in or upon any property located within the City, a commercial cannabis activity unless that person does so in strict compliance with State Cannabis Laws, this section, and all applicable Municipal Code provisions.

Business License Tax Certificate and Payment of Cannabis Business Tax Required. No person shall commence, operate, engage in, conduct, or carry on a commercial cannabis activity, whether doing so from a fixed location in the City or coming into the City from an outside location to engage in such activities, without obtaining and continuously maintaining a business license tax certificate pursuant to Title 3, Chapter 18 of this code (Cannabis Business Taxes) and remitting timely payments of applicable taxes pursuant to Title 3, chapter-18 of this code.

(a) Table 17-1 identifies the uses of commercial cannabis activities that are permitted in non-residential districts, and the planning permit required to establish each use, in compliance with Chapters 9-1 and 9-2 of this code. All other commercial cannabis uses not otherwise lists in Table 17-1 shall be prohibited.

Table 17-1 – Commercial Cannabis Use Table

Allowed Land Uses and Permit Requirements	A Allowed Use, Zoning Clearance Required									
	CUP Conditional Use Permit Required									
	AUP Administrative Use Permit Required									
	<input type="checkbox"/> Not Permitted									
Non-Residential Zones										
Use	Permitted Uses By Zones									
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I
Commercial Cannabis Activity										
Testing Facility		CUP	CUP	AUP		AUP			AUP	AUP
Retail Non- storefront Facility		CUP	CUP	CUP		CUP		CUP		CUP

(Ord. 612 § 2, 2017)

9-17.006 Commercial cannabis activities development standards.

- (a) The following are development standards for permitted commercial cannabis activities:
- (1) On-Site Sales. Retail or wholesale sales to the public are prohibited.
 - (2) Distance. Commercial Cannabis activities shall be prohibited within six hundred (600) feet of schools, parks, youth centers, or day care centers. All distances specified in this section shall be measured in a straight line, without regard to intervening structures or topography, from the nearest point of the building or structure in which the commercial cannabis activity is, or will be located, to the nearest property line of the parcel where such use is located. If the commercial cannabis activity is, or will be located, in a multi-unit building, the distances shall be measured from the nearest point of the suite in which the cannabis business is or will be located.
 - (3) Signage. On-site signage for a commercial cannabis activity that is viewable from the exterior of the premises shall comply with all local signage laws applicable to the permitted and licensed premises, including Chapters 9-15 of this Code. Signage may not be designed to appeal to children, or contain any false or misleading statements, or make any misrepresentations.
- (b) Cannabis Deliveries. The following standards apply to licensed, permitted retail non-storefront facilities:
- (1) Deliveries within Incorporated City Limits. State-licensed retail non-storefront facilities may deliver cannabis and cannabis products to individuals located at private residences within the City, provided that such deliveries are in strict compliance with State Cannabis Laws and the Municipal Code and said retailer has obtained a business license tax certificate, is paying the applicable business license tax under Municipal Code Chapter 3-5, and is paying the applicable cannabis business tax under Title 3 Chapter 18 of this title (Cannabis Business Tax). All other deliveries of cannabis and/or cannabis products are prohibited.
 - (2) Vehicle Advertising. Vehicles used in the delivery process must be unmarked without any designation or logo that identifies the vehicle as a cannabis delivery vehicle.

9-17.007 Commercial cannabis application and procedures.

(a) Application Requirements. Any person applying for an AUP or CUP for a licensed, permitted commercial cannabis activity, as allowed under this chapter, must submit the following information with their application:

(1) The name of the proposed commercial cannabis activity including, if applicable, the name on file with the California Secretary of State and any fictitious business names and/or DBAs.

(2) The location of the proposed commercial cannabis activity (must comply with the zoning and location restrictions set forth above).

(3) The names, addresses, and contact information for each owner of the proposed commercial cannabis activity.

(4) If the proposed commercial cannabis activity is incorporated, the names, titles, addresses, and contact information of each corporate officer, the name, address, and contact information of the agent for service of process, a certified copy of the articles of incorporation, and copy of the bylaws.

(5) If the proposed commercial cannabis activity is a partnership, the names, addresses, and contact information for each partner and the agent for service of process.

(6) The name and contact information for each manager of a proposed commercial cannabis business, establishment, or facility. If such information is not available at the time the application is submitted, the proposed commercial cannabis business, establishment, or facility shall submit such information to the Community Development Department as soon as it becomes available.

(7) For each owner, corporate officer, partner, manager, employee, or volunteer, a criminal history (“LiveScan”) prepared not more than two (2) weeks prior to the date of submitting the application demonstrating that there are no pending charges or convictions for any crime (including, without limitation, theft, fraud, deceit, or assault) within the previous ten (10) years, and that the subject is not currently on parole or probation for the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance. For each owner, corporate officer, partner, manager, employee, or volunteer who becomes part of a commercial cannabis facility after the required permit is issued, the commercial cannabis facility must submit the required criminal history to the Community Development Department within two weeks of the new owner, corporate officer, partner, manager, employee, or volunteer joining the operation.

(8) A site plan and operations plan that demonstrate how the proposed commercial cannabis activity has already complied or will comply with the requirements of this chapter.

(9) A copy of all required permits and certificates under Title 8 (Buildings Code) of this Code or an acknowledgment that the proposed commercial cannabis activity will obtain all required permits and certificates under Title 8 prior to its opening, establishment, operation, and/or commencement.

(10) The name, address, and contact information for the owner of the property on which the proposed commercial cannabis activity will be located.

(11) An agreement signed by the owner of the property on which the proposed commercial cannabis activity is located consenting to use of the property for a commercial cannabis activity and agreeing to indemnify, defend (with an attorney selected by the city), and hold harmless The City of Atascadero from any claims, damages, legal or enforcement actions arising from the use of the property for a commercial cannabis activity.

(12) Any supplemental information requested by the Community Development Director or designee to establish compliance with the requirements of this chapter. (Ord. 612 § 2, 2017)

9-17.008 Commercial cannabis application approval or denial of entitlement.

(a) Criteria for Issuance or Denial of Permit. In addition to the criteria for land use permits set forth in this title, the Planning Commission, or the City Council on appeal, shall consider the following criteria in determining whether to grant or deny a land use permit for a commercial cannabis activity:

(1) That the proposed location of the commercial cannabis activity is not identified by the City Chief of Police, or designee, as an area of increased or high crime activity.

(2) For those applicants who have operated other businesses within the City, that there have not been significant numbers of calls for police service, crimes or arrests in the area of the applicant's other business.

(3) That the location is not prohibited by the provisions of this section or any local or state law, statute, rule, or regulation, and no significant nuisance issues or problems are likely or anticipated, and that compliance with other applicable requirements of the City's Zoning Ordinance will be accomplished.

(4) That the operations plan and site plan have incorporated features necessary to assist in reducing potential crime-related problems and as specified in the operating requirements section. These features may include, but are not limited to, security on-site; procedure for allowing entry; openness to surveillance and control of the premises; the perimeter, and surrounding properties; reduction of opportunities for congregating and obstructing public ways and neighboring property; illumination of exterior areas; and limiting furnishings and features that encourage loitering and nuisance behavior.

(5) That all reasonable measures have been incorporated into the operations plan and site plan or consistently taken to successfully control and/or prevent disturbances, vandalism, traffic problems, cannabis use in public, public or private nuisances, or interference in the operation of another business.

(6) That the commercial cannabis activity is likely to have no potentially adverse effect on the health, peace, or safety of persons living or working in the surrounding area, overly burden a specific neighborhood, or contribute to a public nuisance.

(7) That any provision of the Municipal Code or condition imposed by a City-issued permit, or any provision of any other local or State law, regulation, or order, or any condition imposed by permits issued in compliance with those laws, will not be violated.

(8) That the applicant has not made a false statement of material fact or has omitted to state a material fact in the application for a permit.

(9) That the applicant has not engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices with respect to the operation of another business. (Ord. 612 § 2, 2017)

(10) Conditions of approval may require that a commercial cannabis activity be subject to conditions that mitigate potential impacts of the sale of cannabis products in the community.

(b) Indemnification. The applicant or its legal representative shall:

(1) Indemnify and hold the City harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation of Federal law associated with the operation of the commercial cannabis activity; defend, at its sole expense, any action against the City, its agents, officers, and employees related to the approval of an entitlement for or the operation of the commercial cannabis activity; reimburse the City for any court costs and attorney fees that the City may be required to pay as a result of any legal challenge (or Federal enforcement action) related to the City's approval of an entitlement for or the operation of the commercial cannabis activity.

(2) Maintain insurance in the amounts and of the types that are acceptable to the City pursuant to guidelines and policies set forth by the local licensing authority and name the City as an additionally insured on all City-required insurance policies.

9-17.009 Commercial cannabis operational requirements.

(a) Operational Requirements.

- (1) A cannabis testing facility permitted under this section may only operate between the hours of 7:00 a.m. and 8:00 p.m. Pacific Time.
- (2) A retail non-storefront delivery facility permitted under this section may only operate between the hours of 6:00 a.m. and 10:00 p.m. Pacific Time.
- (3) Any commercial cannabis-activity permitted under this chapter must comply with all applicable State Cannabis Laws, including but not limited to the requirement of a valid State license to operate a commercial cannabis activity.
- (4) A commercial cannabis activity permitted under this chapter must comply with all applicable provisions of Titles 5 and 8 of this Code.
- (5) A commercial cannabis activity permitted under this section may not employ any person who is not at least eighteen (18) years of age.
- (6) A commercial cannabis activity permitted under this section shall not conduct or engage in the commercial or retail sales of any cannabis or cannabis products on the premises of the cannabis facility.
- (7) No cannabis cultivation may occur on the property of a commercial cannabis activity permitted under this chapter.
- (8) A commercial cannabis activity permitted under this chapter may not allow or permit the use, inhalation, smoking, eating, ingestion, or consumption of cannabis or cannabis products on the property of the commercial cannabis activity, including in the parking areas of such property.
- (9) Criminal Background Requirements.
 - (i) All owners, corporate officers, partners, managers, employees, or volunteers of a commercial cannabis activity permitted under this chapter shall comply with background criminal history requirements under state law. No person who is currently charged with or has been convicted within the previous ten years of a felony or misdemeanor involving moral turpitude or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance shall be employed by a cannabis business in the City.
 - (ii) Prior to commencing any work within or on behalf of a commercial cannabis facility permitted under this chapter, each owner, corporate officer, partner, manager, employee, and volunteer must complete a current criminal history background check that demonstrates compliance with subsection (a)(9)(i). Each criminal history background check must be updated every twelve (12) months.
 - (iii) A commercial cannabis activity permitted under this section shall maintain a complete register of each owner, corporate officer, partner, manager, employee, and volunteer working for and/or associated with the commercial cannabis activity, including a copy of each required criminal history background check. The register and required records must be made available for inspection by any city officer or official for purposes of determining compliance with this chapter.
 - (iv) A commercial cannabis activity permitted under this chapter shall notify the city in writing of any disqualifying conviction described in subsection (a)(9)(i) for an owner, corporate officer, partner, manager, employee, or volunteer within ten (10) days of the conviction.
 - (v) A commercial cannabis activity permitted under this chapter may submit to the Police Chief a written request for a waiver of the prohibition in subsection (a)(9)(i) with regard to a particular owner, corporate officer, partner, manager, employee, or volunteer, on the ground that such person's involvement with the commercial cannabis activity will not pose a threat to public safety. The Police Chief, in his or her

unfettered discretion, may deny such a written request, subject to the appeal procedures set forth in Municipal Code Sections 1-2.13 through 1-2.16.

(10) A commercial cannabis -activity-permitted under this chapter shall provide the name, phone number, facsimile number, and e-mail address of a manager or representative who can be reached twenty-four (24) hours a day in the event that the city decides to provide notice of an operating problem associated with the commercial cannabis facility.

(11) Disposal of chemical, dangerous or hazardous waste must be conducted in a manner consistent with Federal, State and local laws, regulations, rules or other requirements. Cannabis waste must be made unusable and unrecognizable prior to leaving the licensed premises by grinding it and incorporating it with fifty percent (50%) non-cannabis waste.

(12) A commercial cannabis activity-permitted under this chapter must pay any applicable taxes pursuant to Federal, State, and local law.

(13) A commercial cannabis-activity permitted under this chapter shall provide a secured storage area on-site. All cannabis and cannabis products shall be stored in this area during non-business hours. (Ord. 612 § 2, 2017)

(14) A commercial cannabis activity permitted under this chapter may be required to provide a video surveillance system that is accessible by the City of Atascadero.

(15) A commercial cannabis activity permitted under this chapter may be required to provide a security plan that outlines private security services on site for twenty four-hours a day.

(16) A Retail Non-Storefront Facility location in the City of Atascadero shall include an on-site concealed location within the building where all cannabis products and cash are loaded onto or unloaded from a delivery vehicle. The concealed location shall be within an enclosed area not visible or accessible to the public.

(17) A Commercial cannabis business location permitted under this chapter shall be required to maintain a backup power source to maintain security features in the event of a power failure.

(18) The premises of a commercial cannabis activity must be equipped with an odor absorbing ventilation and exhaust system so that odor generated inside the premises that is distinctive to the operation of the commercial cannabis activity is not detected outside the premises, anywhere on adjacent property or public rights-of-way, on or about any exterior or interior common area walkways, hallways, breeze-ways, foyers, lobby areas, or any other areas available for common use by tenants or the visiting public, or within any other unit located within the same building as the commercial cannabis activity. As such, a commercial cannabis activity must install and maintain the following equipment or any other equipment which local licensing authority determines has the same or better effectiveness:

(i) An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; or

(ii) An air system that creates negative air pressure between the premises' interior and exterior so that the odors generated inside the premises are not detectable outside the premises.

9-17.010 Suspension and revocation of entitlement.

(a) Suspension, Modification and Revocation.

(1) Authority to Suspend or Revoke. Any permit issued for a commercial cannabis activity facility may be suspended, modified or revoked by the Planning Commission if it shall appear to the Commission that the permittee has violated any of the requirements of this chapter or the Municipal Code, the permittee is operating in a manner which violates the operational requirements or operational plan required by this

chapter, the permittee is operating in violation of any conditions of approval applicable set forth in the use permit approval, the permittee is operating in a manner which constitutes a nuisance, the permittee's state license under MAUCRSA has been suspended, revoked, or terminated, or the permittee is operating in a manner which conflicts with state or federal law.

(2) Annual Review of Permitted Commercial Cannabis. The Community Development Department and the Police Department are hereby authorized to conduct an annual review of the operation of each permitted commercial cannabis activity within the City for full compliance with the business license regulations, cannabis tax collection requirements, operational recordkeeping, nuisance and all other requirements of this chapter, the Atascadero Municipal Code, and state licensing. A fee in an amount set by resolution of the City Council may be established in order to reimburse the City for the time involved in the annual review process. The staff may initiate a permit suspension or revocation process for any commercial cannabis activity which, upon completion of an annual review, is found not to be in compliance with the requirements of this chapter or which is operating in a manner which constitutes a public nuisance. Staff may, based upon its annual review of the operation of a commercial cannabis activity, place on a Planning Commission meeting agenda, a proposal to suspend or revoke a commercial cannabis activities permit.

(3) Except as otherwise provided in this chapter, no permit shall be revoked or suspended by the Planning Commission under the authority of this section until written notice of the intent to consider revocation or suspension of the permit has been served upon a permittee at least ten (10) days prior to the date set for such review hearing. Such revocation or suspension notice shall state the specific reasons for the proposed suspension or revocation and must have been provided to the permittee in writing prior to the hearing. Such notice shall contain a brief statement of the grounds to be relied upon for revoking or suspending such permit. Notice may be given either by personal delivery to the permittee, or by depositing such notice in the U.S. mail in a sealed envelope, postage prepaid (via regular mail and return receipt requested), addressed to the person to be notified at his or her address as it appears in his or her application for a permit. (Ord. 612 § 2, 2017)

9-17.011 Enforcement.

The City may enforce this chapter in any manner permitted by law. Any violation of this chapter shall be and is hereby declared to be a public nuisance and contrary to the public interest and shall, at the discretion of the City, create a cause of action for injunctive relief. (Ord. 612 § 2, 2017)

9-17.012 Limitation on Liability

To the fullest extent permitted by law, the City shall not assume any liability whatsoever, with respect to approving any entitlement or permit pursuant to this chapter or the operation of any commercial cannabis activity approved for such permit pursuant to this chapter.



Atascadero City Council

Staff Report - Public Works Department

Adopting a List of Projects for Fiscal Year 2021-2022 Funded by SB 1: The Road Repair and Accountability Act of 2017

RECOMMENDATION:

Council adopt Draft Resolution adopting a list of projects to be funded with Road Maintenance and Rehabilitation Account revenues from SB 1 (The Road Repair and Accountability Act of 2017) for Fiscal Year (FY) 2021-2022.

DISCUSSION:

Background

The Road Repair and Accountability Act of 2017 (SB 1) provides funding for local and state jurisdictions to address roadway maintenance and rehabilitation needs, as well as other transportation related projects. This act became law in April 2017 and annual reporting guidelines for local agencies (cities and counties) were finalized in August 2017. These guidelines describe annual reporting requirements and processes for local agencies receiving SB 1 revenues, which primarily involves having local agencies identify a list of projects to be funded with SB 1 revenues each fiscal year and reporting expenditures for those projects.



Analysis

SB 1 was designed intentionally to provide the most flexibility to local agencies as to how to use these funds, but with a "fix it first" approach to roadway improvements. Annual funds can be used on multiple projects or a single project can be funded with multiple annual revenue allocations. "Betterment" improvement projects can be funded with SB 1 funds but require local agency's roadway systems to have a comprehensive Pavement Condition Index (PCI) of 80 or higher – Atascadero's last comprehensive PCI was 50 (2019).

In general, staff recommends directing SB 1 revenues to fund roadway repairs, maintenance, and rehabilitation on arterial and collector functional classification roadways. These roadways receive the heaviest use in town and are driven by most of the public compared to residential functional classification roadways. Furthermore, Measure F14 funds have been used exclusively on collectors and residential roadways. Arterials and collectors are typically more expensive to repair, support commerce and

business activities, have enhanced improvements (sidewalks, bike lanes, etc.), and have higher risk for liability if in disrepair. Staff believes committing additional funding to arterials and collectors will allow the City to continue to improve the busiest and most visible roads in Atascadero.

SB 1 guidelines require local agencies to pass a resolution each year that identifies a list of projects for SB 1 funding. The following table summarizes the SB 1 budgeted and estimated revenues FY 17/18 through FY 21/22.

Fiscal Year	Budgeted	Actual / Estimated		Difference
2017-2018	\$ 178,071	\$ 181,060		\$ 2,989
2018-2019	\$ 530,440	\$ 571,180		\$ 40,740
2019-2020	\$ 511,890	\$ 526,611		\$ 14,721
2020-2021	\$ 568,200	\$ 515,210	*	\$ (52,990)
2021-2022	\$ 577,404	\$ 577,404	*	\$ -
Total	\$ 2,352,584	\$ 2,279,462		\$ 5,460

* Estimated

The City Council used the combined partial first year (FY 17/18) and most of the second year (FY 18/19) revenues toward the El Camino Real (North) Pavement Rehabilitation project from San Anselmo Road (East) to San Benito Road. That project was completed in fall of 2018. The remaining amounts have been allocated to the El Camino Real (South) Pavement Resurfacing project.

Staff recommends also allocating FY 21/22 SB 1 funds for the construction of the El Camino Real (South) Pavement Resurfacing project. This project involves pavement maintenance and repairs for 1.90 miles of El Camino Real between the south City limits and El Bordo Avenue. This section of El Camino Real was partially reconstructed as part of the Southern California Gas Company's transmission pipeline project in 2015-2016 and begins where the Gas Company's microsurfacing restoration ended (El Bordo Avenue). However, other portions of this segment of El Camino Real are in need of varying levels of pavement rehabilitation or resurfacing, which will be completed as part of this project. After paving, new pavement markings will be installed and will improve lane identification and overall aesthetics. This project is currently estimated to cost \$1,849,600 and is scheduled for construction in FY 21/22. Due to the cost of construction, a multi-year funding approach is needed to fully fund the construction of the project and is expected to use all SB1 funds available through the 21/22 fiscal year and potentially some funds for 22/23.

Conclusion

The attached Draft Resolution (Attachment 1) will provide the necessary documentation required to be included with the submitted project list to the California Transportation Commission (CTC), which is due on July 1, 2021. This deadline was extended due to the COVID-19 pandemic.

FISCAL IMPACT:

Approval of the Draft Resolution adopting the list of projects for SB 1 Funding, will allow the City to receive an estimated \$577,404 in 2021-2022 SB1 funding.

ATTACHMENT:

Draft Resolution

DRAFT RESOLUTION

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2021-2022 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City are aware of the projects proposed for funding in the community and which projects have been completed each fiscal year; and

WHEREAS, the City must include a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, in the City budget, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated \$577,404 of RMRA funding in Fiscal Year 2021-2022 from SB 1; and

WHEREAS, the City has undergone a public process to ensure public input into the community's transportation priorities and capital improvement plans; and

WHEREAS, the City used a Pavement Management System to assist in the development of the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate 139 centerline miles of roads, 20 bridges, and add active transportation infrastructure throughout the City this year and hundreds of similar projects in the future; and

WHEREAS, the 2019 Pavement Management Program found that the City's streets and roads are in a "fair" condition and the revenue will help increase the overall quality of the road system over the next decade, with the anticipation of bringing the streets and roads into a "good" condition; and

WHEREAS, without revenue from SB 1, the City's streets and roads may continue to degrade into a condition that would require higher costs and expenses to maintain and repair; and

WHEREAS, if the Legislature and Governor failed to act, city streets and county roads would have continued to deteriorate, resulting in many and varied negative impacts on the community; and

WHEREAS, cities and counties own and operate more than 81 percent of streets and roads in California, and from the moment an individual opens the front door to drive to work, bike to school, or walk to the bus station, they are dependent upon a safe, reliable local transportation network; and

WHEREAS, modernizing the local street and road system provides well-paying construction jobs and boosts local economies; and

WHEREAS, the local street and road system is also critical for farm to market needs, interconnectivity, multimodal needs, and commerce; and

WHEREAS, police, fire, and emergency medical services all need safe reliable roads to react quickly to emergency calls and a few minutes of delay can be a matter of life and death; and

WHEREAS, maintaining and preserving local streets and the road system will reduce drive times and traffic congestion, improve bicycle safety, and make the pedestrian experience safer and more appealing, which leads to reduced vehicle emissions helping the State achieve its air quality and greenhouse gas emissions reductions goals; and

WHEREAS, restoring roads before they fail reduces construction time, which results in less air pollution from heavy equipment and less water pollution from site run-off; and

WHEREAS, the overall investment in the local streets, roads, and complete streets infrastructure, with a focus on basic maintenance and safety, using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. That the recitals set forth hereinabove are true, correct and valid.

SECTION 2. The list of projects planned to be funded with SB 1 RMRA revenues for Fiscal Year 2021-2022 include:

Project: El Camino Real Resurfacing – South

Description: Pavement maintenance and rehabilitation of approximately 1.90 miles of arterial roadway to improve deteriorated pavement conditions and better define roadway configuration for all roadway users, including motorists, bicyclists, and pedestrians.

Location: South City Limits to El Bordo Avenue

Estimated Useful Life: 10 to 20 years

Schedule for Completion: Summer 2021

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

ITEM NUMBER:

A-4

DATE:

06/08/21

ATTACHMENT:

1

On motion by Council Member _____ and seconded by Council Member _____, the foregoing resolution is hereby adopted in its entirety by the following vote:

AYES:

NOES:

ABSENT:

ADOPTED:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian A. Pierik, City Attorney



Atascadero City Council

Staff Report – Public Works Department

2021 Measure F-14 Pavement Rehabilitation Construction Award

RECOMMENDATIONS:

Council:

1. Award a construction contract for \$2,355,339.70 to Souza Construction, Inc. for the 2021 Measure F-14 Pavement Rehabilitation Project (Project No. C2020R02).
2. Authorize the City Manager to execute a contract with Souza Construction, Inc. for \$2,355,339.70 to construct the 2021 Measure F-14 Pavement Rehabilitation Project.

DISCUSSION:

Background

Sales Tax Measure F-14 was approved by voters in November 2014 to fund the repair, maintenance, and rehabilitation of City-maintained local roadways with a one-half cent sales tax over twelve years. A list of projects to be funded with Measure F-14 revenue is developed each budget cycle by employing the Critical Point Management technique with the City's Pavement Management Program. The roadway segments in the chart below are part of the 2021 Measure F-14 Pavement Rehabilitation Project and included in the current Budget and 5-Year Capital Improvement Program (CIP). This project has a total of 3.81 centerline road miles, or 7.62 lane miles. A map showing these segments is also attached for reference (Attachment 1).

Road Segments in Measure F-14 2021 Rehabilitation Project

Road Segment	From	To	Length (ft.)	Width (ft.)	Area (sq. ft.)	2019 PCI
Alegre Ave	Atascadero Ave	End	460	20	9,200	33
Coromar Ave	Marchant Ave	Portola Rd	3,620	21	76,020	41
La Paz Ln	Atascadero Rd	End	2,175	18	39,150	24
Marchant Ave	Coromar Ave	Atascadero Ave	1,960	21	41,160	42
Marchant Way	Pismo Ave	Santa Rosa Rd	1,700	27	45,900	17
Old Morro Rd East	Hwy 41 (West)	Hwy 41 (East)	2,850	20	57,000	42
Pismo Ave	Hwy 41	Marchant Way	875	22	19,250	42
San Diego Rd	Atascadero Ave	Hwy 101 Ramp	3,110	21	65,310	12
San Guillermo Ln	San Gabriel Rd	End	920	20	18,400	11
San Rafael Rd	San Gabriel Rd	Los Osos Rd	2,450	21	51,450	43

Total: 20,120 422,840

Design Analysis

Earth Systems Pacific performed pavement testing services and preliminary design recommendations, which were then coordinated with Rick Engineering Company in final design work and preparing construction plans and specifications for the project. Pismo Avenue, Marchant Way, San Diego Road and a portion of Old Morro Road are proposed to be fully reconstructed. Alegre Avenue, San Guillermo Lane, San Rafael Road, La Paz Lane and a portion of Coromar Avenue will be rehabilitated with asphalt overlay or mill existing asphalt and overlay. Portions of Old Morro Road, Coromar Avenue, and Marchant Avenue will be rehabilitated using a combination of cape seal and localized full-depth pavement digouts. All treatment options were based on an assessment of subgrade quality, current roadway conditions, and traffic volumes.

Staff was heavily involved in value engineering during the design process and worked closely with the consultants (Rick Engineering and Earth Systems) to determine the appropriate level of treatment on each roadway. As part of the design process, each roadway segment was analyzed to determine if and where underlying structural issues existed, and where the pavement degradation was confined to the surface courses and could be remedied with a less costly treatment (overlay, cape seal, etc.). The design team worked together to pinpoint the worst areas, determine the causes of failure, (drainage issues, poorly compacted subgrade fill, insufficient structural section, etc.), and focus the major repairs at these locations. Where the roadways were deteriorated beyond what could be repaired using these rehabilitation efforts, full roadway section reconstruction was utilized.

Bid Analysis

The project was publicly bid starting April 14, 2021 for a minimum of 30 days in accordance with State Contracting Laws and Atascadero Purchasing Policies. A public bid opening occurred on May 20, 2021 and six bids were received ranging from \$2,355,340 to \$3,002,546. The bids were reviewed for accuracy and compliance with project bidding requirements, and the City Engineer has determined that Souza

Construction of San Luis Obispo is the lowest responsive bidder at \$2,355,339.70. Bidding was competitive for this project and Souza's bid is considered a fair price for this project scope. The engineer's estimate for this project was \$2,390,100.

The 2019-2021 adopted budget includes \$2,550,000 in Measure F-14 monies for project funding. To date, there has been approximately \$230,000 spent for the design and bid phases of the project. State Law requires the City to maintain or re-establish existing survey monuments during road construction. The City will contract directly with a licensed land surveyor for survey monument perpetuation/preservation work, which is estimated at \$50,000. Other non-construction costs remaining include material testing, coordination, and inspection fees that are estimated to be around \$150,000, or about 7% of construction costs. Staff is recommending contracting with a qualified material testing firm for Quality Assurance (QA) testing and a construction management firm for part-time construction inspection to supplement the Public Works Inspector on an as-needed basis.

A standard contingency of 20% is customarily used for capital projects as a safeguard for quantity over-runs and if unknown conditions arise which require a change in plans. The risk for unknowns drops significantly on roadway projects if excavation is not a part of construction. In addition, estimated quantities for projects such as this are based upon known pavement surface areas and identifiable item quantities, therefore the risk for actual versus estimated quantity deviation drops significantly. Given the thorough fieldwork performed during design, staff is comfortable recommending a lower construction contingency of 13%, or \$314,660, of the construction contract amount. While every project is different, and staff agrees that a healthy contingency is prudent, it should be noted that the average contingency use over the previous five F-14 projects has been less than 5%.

During construction, some inconvenience is expected to vehicular and pedestrian traffic along the roadway segments. Specifically, the 2021 F-14 project includes the segments of Pismo Avenue and Marchant Way adjacent to the Lake Park Pavilion and Atascadero Lake. Contract specifications require that access be maintained to the Pavilion parking lot during construction, but the construction work will result in delays during certain operations. Staff will work closely and coordinate with Pavilion staff to minimize impacts to the greatest extent possible, and signage and outreach efforts will be used to notify pedestrians and residents of work schedule affecting the Lake pathway. The contractor will be required to prepare a traffic control plan, and City staff will work with the contractor to minimize travel delays and impediments to driveways on all roadway segments. Since the majority of the pavement rehabilitation will match existing grades, the number of driveways that will need to be removed and replaced is reduced. This will limit impacts to individual property owners. Property owners on each roadway segment will be notified of the construction schedule prior to work beginning.

ENVIRONMENTAL REVIEW:

The proposed project is Categorically Exempt (Class 1) from the provisions of the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA Guidelines (Title 14 California Code of Regulations §§ 15000, et seq.) pursuant to CEQA Guidelines Section 15301, because it is limited to repair and maintenance of existing facilities. A finding of exemption is on file in the project records

FISCAL IMPACT:

The current 2019-2021 budget has \$2,550,000 in Measure F-14 Funds included for this project. Staff, however, estimates that project expenditures may be as high as \$3,100,000 with construction contingencies. The proposed draft 2021-2023 budget includes an additional \$550,000 budgeted for this Project, bringing the total Project budget to \$3,100,000. The following summarizes the estimated project expenditures and funding sources:

ESTIMATED EXPENDITURES	
Design and Bid Phase	\$ 230,000
Construction Contract	2,355,340
Survey Monument Perpetuation	50,000
Construction Inspection / Testing / Administration @ 7%	150,000
Construction Contingency @ 13%	314,660
Total Estimated Expenditures:	\$ 3,100,000

BUDGETED FUNDING SOURCES	
Measure F-14 Fund: Original 2020 Pavement Rehabilitation	\$2,550,000
Measure F-14 Fund: Additional funds added in 2021-2023 Budget	550,000
Total Budgeted Funding Sources:	\$3,100,000

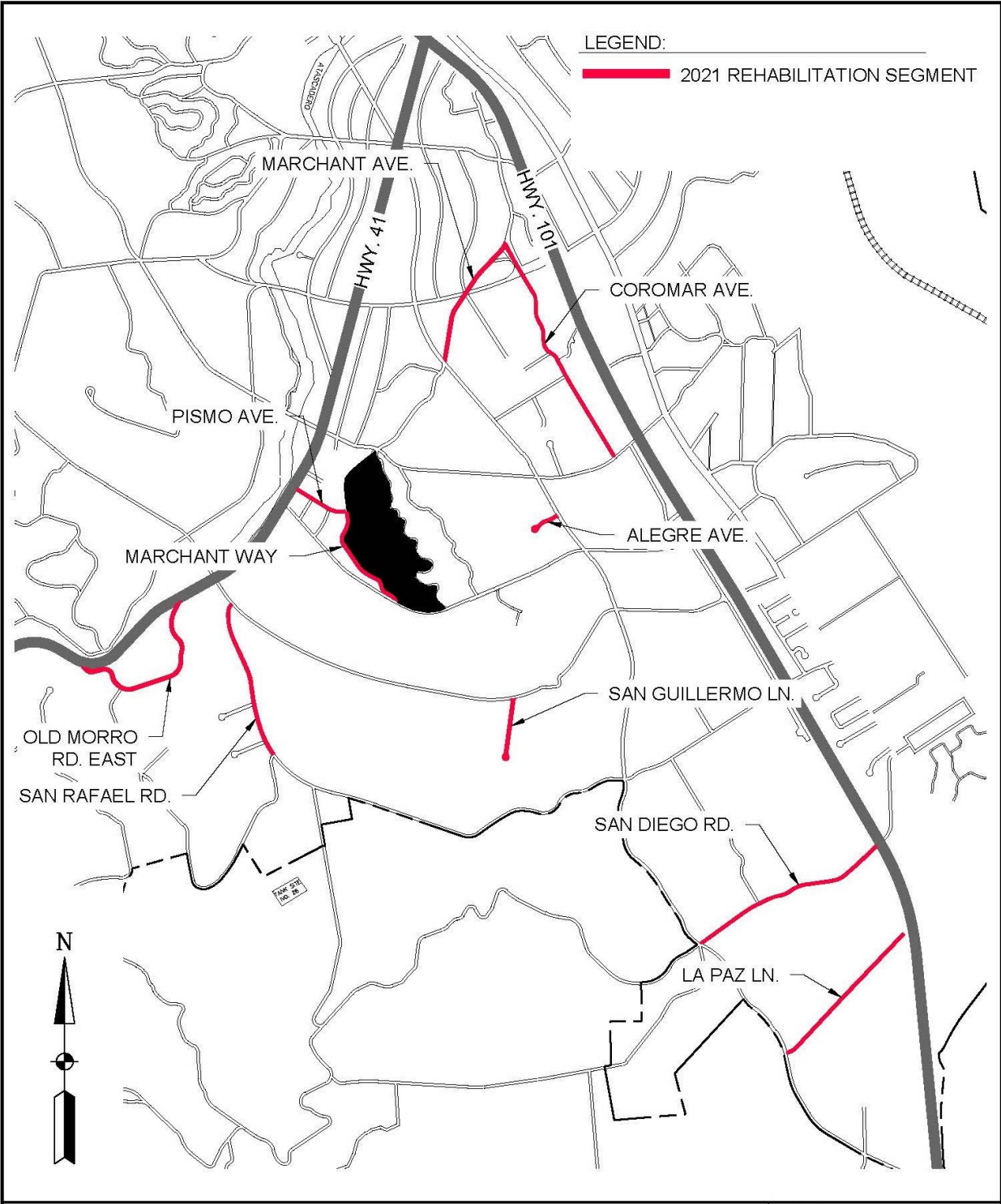
ALTERNATIVES:

Staff does not recommend any alternatives. Council may direct staff to rebid the project, however, staff believes the bids received are highly competitive and pricing is reasonable. A rebid may result in higher bid proposals.


ATTACHMENTS:

1. Project Location Map
2. Bid Summary

2021 F-14 PMP PROJECT
STREET LOCATIONS



City of Atascadero
Office of the City Clerk
Bid Summary

TO: Public Works
FROM: Amanda Muther, Deputy City Clerk 
BID NO.: 2021-004
OPENED: 5/20/2021
PROJECT: 2021 F-14 Pavement Rehabilitation Project (C2020R02)

6

Bids were received and opened today, as follows:

<u>Name of Bidder</u>	<u>Bid Total</u>
Souza Engineering Contracting, Inc. dba Souza Construction	\$ 2,355,339.70
Ferravanti Grading & Paving	\$ 2,589,069.40
CalPortland Construction	\$ 2,738,229.80
Papich Construction Co., Inc.	\$ 2,822,000.00
Granite Construction Company	\$ 2,977,636.50
R. Burke Corporation	\$ 3,002,546.40



Atascadero City Council

Staff Report - City Manager's Office

Council Norms and Procedures Consideration of Amendments

RECOMMENDATION:

Council review, amend and adopt change(s) to the Council Norms and Procedures.

DISCUSSION:

The Council Norms and Procedures (Norms) is a document originally created by the City Council as a guide relating to Council Member behavior. The document was last amended by the City Council in 2020.

At the February 19 & 20 City Council Strategic Planning meeting, the City Council reviewed the 2020 Council Norms and Procedures. There was a robust discussion regarding how a Council Member or Council Members may add an item to the agenda. At the April 14, 2021 Council meeting, Council provided further clarification and staff direction. The attached Draft Council Norms and Procedures includes language outlining how items are placed on the agenda and further detailing how Individual Determination items will be handled..

ALTERNATIVES:

The Council may amend the draft language, consider other changes to the City Council Norms, or may chose not to amend the City Council Norms.

FISCAL IMPACT:

None.

ATTACHMENT:

Redline Draft Council Norms and Procedures (2021)



CITY OF ATASCADERO

COUNCIL NORMS AND PROCEDURES (2021~~0~~)

GENERAL

- Council should primarily focus on vision, mission and policy. Staff should primarily focus on implementation and keeping the Council informed.
- To take courageous action when necessary to keep the City of Atascadero a well-run, well managed innovative City.
- Council provides leadership and participates in regional, state and national programs and meetings.
- Council looks to Commissions and Committees for independent advice.
- Other community leaders are consulted in the decision making process when appropriate.
- Council will encourage citizen participation on City programs and documents.
- Serving the City of Atascadero is the City Council's top priority.
- It is expected that each Council Member will represent the City of Atascadero as a member of various boards and committees, and will be participate in meetings as feasible.
- We stress training for staff, Council, and Commission members.
- Council Members will inform the City Manager's Administrative Assistant when they will be out of town as early as possible and it will be put on the Council Calendar.
- Council Members get the same information as much as possible: citizen complaints, letters, background, etc.
- Council Members will determine which specific Commission packets they want to receive.
- Use technology to improve information flow and communications.

- Individual Council Members may use the City letterhead as long as they clarify in the document that any opinions expressed are their own.

COUNCIL VALUES

- The Council and City Manager are a participatory team.
- The Council values high energy, open mindedness, and achievement.
- Council Members will care and have respect for each other as individuals.
- Council Members will be straightforward; with no hidden agendas.
- The City Council values humor.

COUNCIL INTERACTION AND COMMUNICATION

- Individuals are responsible to initiate resolution of problems A.S.A.P. and not let them fester.
- City Council will not direct cheap shots at each other during public meetings, in the press, or any other place/time.
- Relationships are informal, but not casual in public [beware of impact on, and perception of, public].
- Council Members will be flexible in covering responsibilities for each other.
- Council Members that are the Complainant on an issue before the Council must declare their involvement in the issue before the item is reviewed by the Council.
- Council Committees:
 - Committee areas belong to the whole Council; they are not seen as territorial.
 - Committees are responsible to keep rest of Council informed, and other members are responsible for letting committee know if they want more information or to give input.
 - Before committees start moving in new direction, they will get direction from the rest of Council.
 - Committee reports will be made under Council Reports, when appropriate.
 - Committee summaries will be sent on an interim basis to update other Council Members on:
 - Issues being discussed

- Options being considered
 - Progress
- Council and committees will give clear and focused direction as early as possible.

COUNCIL INTERACTION AND COMMUNICATION WITH STAFF

City Manager

- Council Members are encouraged to discuss City business with the City Manager.
- When a Council Member is unhappy about a department, he/she should always talk it over with the City Manager and/or her designee - not the department head.
- Concerns about a department head must be taken to the City Manager only.
- Critical information will be passed to all City Council Members by appropriate personnel.
- Requests by Council Members for information that will take more than one hour of staff time must be approved by a majority of the City Council at a Council meeting.
- Documents generated by Council Member requests for information, will be passed to all City Council Members by appropriate personnel.
- The Council will provide ongoing feedback, information, and perceptions to the City Manager, including some response to written communications requesting feedback.
- The City Manager or the Deputy City Manager deals with issues that cross department boundaries.
- Avoid giving direction individually to the City Manager; the majority of the Council should give the City Manager direction as a formal body.
- The Council and staff will not blind side each other in public (if there is an issue or a question a Council Member has on an agenda item, that member will contact the City Manager prior to the meeting).

Staff in General

- Council should work through the City Manager if asking for information, assistance or follow up as it pertains to an item on the upcoming Council agenda.

If needed, the City Manager may arrange for Council Members to meet with a department head.

- Individual Council Members can talk directly with appropriate staff members when they have routine individual business dealings with the City of Atascadero. Council Members should inform the City Manager in advance of any individual business requiring staff discretion, other City business dealings that may put staff in awkward position, or any staff contacts that may give the perception of favorable treatment.
- Council will always be informed by staff when an unusual event occurs that the public would be concerned about, i.e., anyone wounded by gunfire, area cordoned off by police or fire, etc.
- Department heads will generally attend every Council meeting; other staff attendance at Council meetings is at the City Manager's discretion.
- City Clerk will proactively inform the City Council of new or relevant information related to matters concerning the City Clerk's Office, such as meeting notifications, changes to laws regarding the Brown Act, FPPC requirements and ethics and harassment training.
- Individual Council Members may reach out directly to the City Clerk for clarification and advice on matters concerning the City Clerk's Office.

City Attorney

- Contract Attorney will routinely forward relevant new legislation to the City Council.
- City Attorney shall be pro-active with Council, Manager and Staff when and where appropriate.
- City Attorney shall regularly consult with Council on items of concern on an upcoming agenda at the earliest time possible.
- City Attorney will track Commissions' actions, agenda of City Council and committees for needed input.
- City Attorney to pro-actively inform and protect City Council Members from and Council Members to contact and inform the City Attorney of potential violations and conflicts.
- Where an individual Council Member requests guidance or research from the City Attorney, and it will require more than one hour of time, three Council Members must agree to the request.

COUNCIL ELECTRONIC COMMUNICATIONS

- Think carefully before responding to any e-mail; never reply when angry or in a bad mood. Do not make derogatory personal comments.
- Do not reply to an e-mail if the reply will be directed to a majority of the Council.
- Do not take a position or make a commitment on matters yet to be decided by the Council. Remember, even if you don't do it, your e-mail can be forwarded by others to a majority of the Council.
- Do not give instructions via email or otherwise to Staff under the managerial control of the City Manager.
- If e-mailing the entire Council, do so only to provide information, and do not solicit a response.
- City business will be conducted through your City email account. If an e-mail is received on an account other than your City email account, you should forward that email to your City email account and/or request that the person reaching out send their message through your City email account.
- If a Council Member will have a social media presence, they should meet with the City Clerk and/or City Attorney to discuss.

COUNCIL OPTIONS FOR KEEPING INFORMED

- Read Commission Minutes in order to find out what is being worked on.
- Read documents on planning items.
- City Manager will discuss future Agenda topics with Council Members.
- Council Members will do their homework.
- Regularly meet with City Manager
- Council Members who are appointed to regional Boards will keep other Council Members informed by communicating updates to the City Manager to be shared with the entire City Council.

MAYOR'S ROLE

- Each Mayor is unique; the role is defined by the person, based on that person's style.

- The Mayor is the spokesperson for the City.
- The Mayor is authorized in certain instances, on behalf of the City, to submit advocacy communications that are consistent with City position. At the discretion of the Mayor, the communication may be prepared and sent if it is time-sensitive and meets one or more of the following criteria:
 - In support of any policy issue previously agreed upon by the Council, or
 - In support of a consistently or emphatically expressed Council majority position, or
 - In support of and consistent with any Council Strategic Priority, or
 - In support of the fiscal health of the City or local-control, or
 - At the written request of the City Manager, to advocate a League of California Cities' position on bills that would have a substantial positive or negative effect on City operations.

A copy of the letter will be provided to the Council at the same time it is transmitted to the addressee. Any Member of the Council can request an item to be placed on an upcoming agenda to discuss that communication. If the requested communication does not meet at least one of the above criteria, the Mayor may submit the requested communication, but must clearly indicate therein that the Mayor is acting as an individual, speaking on their own behalf, and not on behalf of the City Council.

- The Mayor will inform the Council of any informal correspondence sent out to anyone in relation to City business - use e-mail whenever possible.
- The Mayor communicates with commission chairs.
- The Mayor will appoint Councilmembers to committees, allowing Councilmembers a chance to discuss the appointments at a meeting and the opportunity to vote confirming all of the appointments.
- The Mayor may appoint an ad hoc committee or a liaison for a specific purpose.
- The Mayor will work with the City Manager's Office to determine Proclamations and Certificates of Recognition for presentation at a City Council meeting. Any Council Member is welcome to write letters of recognition.

CITIZEN COMPLAINTS

- All citizen complaints will be sent by Council to the City Manager's Office for official response. Council may respond to acknowledge receipt of complaint.
- Staff will inform Council of staff responses to citizen complaints received by the Council.

- By City Manager discretion, Council will be informed of significant, urgent and repetitive complaints.
- Staff will draft a response for Council's use for responding to the public.
- Council may respond but should not attempt to fix Citizens' problems on their own; it will be referred to the City Manager.
- Responses to citizens are customized.
- If a Council Member wants action based on a citizen's complaint, they should go through the City Manager's office to ensure it gets into the tracking system.
- The level of detail in written responses will be selective.
- Generally, communications are acknowledged with discretion.

PUBLIC MEETINGS

- City Manager sets the Agenda for regular City Council meetings. ~~per the Ordinance~~
- No individual Council Member may direct the City Manager to place an item on the Council agenda except as outlined under Individual Determination. The majority of the Council may direct the City Manager to place an item on a future agenda complete with prepared staff report and any requested action items.
- Public comment shall be received on all action items.
- Individual Determination
 - Any Council Member may place any item under Individual Determinations
 - No report will be prepared by staff for those items placed by Council under Individual Determinations
 - Resolutions, Ordinances, Budget items or other action items may not be placed under individual determinations.
 - Typical items for Individual determinations include:
 - Request for Council direction to have the City Manager place an action item on a future agenda complete with prepared staff report and any requested draft resolutions, ordinances or other action items.
 - Request for Council input from other Council Members on upcoming Council Committee agenda items
 - Request Council submit letters of support/oppose on State and federal legislation.
 - Request a brief factual clarification or to ask a question of staff.

- Council Members should strive to notify the City Manager as soon as possible to place an individual determination item on the agenda. Understanding that there are instances where time is short, if an item comes up after the agenda has been published, the Council Member should notify the City Manager as soon as possible in order to discuss other options for including the item on the agenda.
- Those items not on the published agenda will only be allowed very brief/limited Council discussion as determined by the City Attorney in accordance with the Brown Act

~~Any Council Member may place an item on the agenda under Individual Determination.~~

- City Council Members will treat everyone equally and with courtesy.
- Corrections to minutes are passed to the City Clerk before the meeting.
- Each member may share his/her views about the issue and the reasons for his/her vote.
- When feasible, audio or video tape all public City Council meetings.
- Public Comment
 - Procedure will include: Staff Report, questions from Council, applicant report, public comment, close Public Hearing, any staff response, and bring item back to Council for discussion.
 - Once public comment is closed, further public input will not be allowed unless re-opened by Mayor.
 - Applicant's comments shall be limited to a reasonable time.
 - Public comments shall be limited to 3 minutes per speaker; per Municipal Code.
 - It is acceptable to ask questions of a speaker for clarification.
 - Each speaker will be thanked.
 - Council will not respond until all public comment has been reviewed.
 - Mayor normally allows other members to speak first and then gives his/her views and summarizes.
 - Keep Community Forum to 30 minutes with additional time to be given at the Mayor's discretion.
- Consent Calendar

- The Consent Calendar will be used for items such as minutes, routine City business, and things already approved in the budget.
- If a Council Member has a question on a Consent Calendar item for their information only, they are to ask staff ahead of time, rather than having it pulled off for discussion during the meeting.
- Staff is prepared to report on every agenda item.
- Voting
 - Everyone has an opportunity to speak before a motion.
 - Attempts will be made to get consensus on significant policy issues.
 - Council Member discussions will not be redundant if they concur with what has already been said.
- Closed Session
 - Council will get written reports for Closed Session items when necessary; these reports are to be turned in at the end of the meeting.
 - City Manager will ask for pre-meeting closed sessions if it will save the City money (due to consultant fees, etc.); to be held no earlier than 5:00 p.m.
 - No violation of Closed Session confidentiality.
- Special Meetings
 - Special meetings may be called by Mayor, or a majority of the Council, pursuant to the Brown Act.

COMMISSIONS

Council shall consider holding a joint session with each Commission at least once every two years.

- Commission needs:
 - To know Council vision, community vision, and General Plan 2025
 - Understanding of their roles and authority.
 - To know annual prioritized goals of the City Council.
 - All commissioners receive an annual training.
- Criteria for commissioner for re-appointment (and in extreme cases, removal) shall include:
 - Issues of conflicts of interest.
 - Attendance (missing two meetings without excuse).

- Support of General Plan.
- Respect for staff/public.
- Working for community versus personal purposes.



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 2021/2022.
2. Adopt Draft Resolution B ordering the levy and collection of assessments for fiscal year 2021/2022 for Street and Storm Drain Maintenance District No. 01 (Apple Valley).
3. Adopt 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 2021/2022.
4. Adopt Draft Resolution D ordering the levy and collection of assessments for fiscal year 2021/2022 for Landscaping and Lighting District No. 01 (Apple Valley).

DISCUSSION:

The City Council formed and began assessing Atascadero 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.

NBS, an independent financial consultant, was hired to prepare the engineer's report 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 the Council 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 2021/2022 are less than the Maximum Assessment Rate. In accordance with the formula voters of the district adopted in 2005, the Maximum Assessment Rate may be increased for inflation by the greater of the Consumer Price Index (CPI) or 3.0%. The Maximum Assessment Rate was increased 3.0% (CPI) this year for both districts.

The City has historically held an annual informational meeting with District residents, to review and gather input regarding the upcoming year's assessment. Due to a combination of factors including the new social distancing requirements due to the COVID-19, City Council's stated direction for essentialism in order to better prioritize and streamline staff's time and efforts, keeping down administration costs in the Districts, and dwindling community attendance at these meetings, the annual meeting was not held. An Assessment Information Notice was mailed to all property owners on April 23, 2021. The notice provided city staff contact information for questions and comments, dates for the related Council meetings, information on how to participate in the meeting, the proposed and current levies for both districts, and pages related to the districts from the City's June 30, 2020, audited financial statements.

Staff has reviewed the short and long-term costs to maintain the districts and recommends the total cost of both districts of \$1,450 remains flat when compared to the prior year. The Landscaping and Lighting District levy is about 51% of the allowable maximum annual assessment and the Street and Storm Drain District is about 68% of the allowable maximum annual assessment.

District	Amount Per EBU Assessment Fiscal Year 20-21	Amount Per EBU Proposed Assessment Fiscal Year 2021-22
Atascadero Street and Storm Drain Maintenance District No. 01 Apple Valley	\$ 550.00	\$ 550.00
Atascadero Landscaping and Lighting Maintenance District No. 01 Apple Valley	\$ 900.00	\$ 900.00

FISCAL IMPACT:

Annual assessments for 2021/2022 will total \$38,500 for road/drainage system maintenance and \$63,000 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in Apple Valley. Contributions of \$11,000 for half the cost of the park will be made from the City's General Fund, and an equal revenue source will be recognized from contributions made by the developer.

ATTACHMENTS:

1. Draft Resolution A
2. Draft Resolution B
3. Engineer's Annual Levy Report - Street and Storm Drain Maintenance District No. 01 (Apple Valley)
4. Draft Resolution C
5. Draft Resolution D
6. Engineer's Annual Levy Report – Landscaping and Lighting District No. 01 (Apple Valley)

DRAFT RESOLUTION A

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, 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 2021/2022

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as "City Council"), pursuant to the provisions the Benefit Assessment Act of 1982, Chapter 6.4 of the California Government Code, beginning with Section 54703 (hereafter referred to as the "Act"), did by previous Resolution order the Engineer, NBS, to prepare and file a report in accordance with the Act in connection with Street and Storm Drain Maintenance District No. 01 (Apple Valley) (hereafter referred to as the "District") and the proposed levy and collection of assessments related thereto for fiscal year 2021/2022, said fiscal year starting July 1, 2021 and ending June 30, 2022; and

WHEREAS, the Engineer has prepared and filed with the City Clerk of the City of Atascadero and the City Clerk has presented to the City Council such report entitled "Engineer's Annual Levy Report for Street and Storm Drain Maintenance District No. 01 (Apple Valley), fiscal year 2021/2022" (hereafter referred to as "Engineer's Report") in accordance with the Act; and

WHEREAS, the City Council has carefully examined and reviewed the Engineer's Report as presented, and is satisfied with the items and documents as set forth therein, and finds that the levy of assessments has been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented, consists of the following:

- a) Plans and specifications that describe the District and Improvements.
- b) Method of Apportionment that outlines the special benefit conferred on properties within the District from the improvements and the calculations used to establish each parcel's proportional special benefit assessment.
- c) The Budget that outlines the costs and expenses to service, and maintain the improvements including incidental expenses to operate the District.
- d) An Assessment Diagram that identifies the boundaries of the District.
- e) An Assessment Roll containing each of the Assessor Parcel Numbers that comprise the District and the proportional maximum assessment and the assessment for fiscal year 2021/2022.

SECTION 3. The Engineer's Report as presented, is hereby approved, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the adoption and approval of the Engineer's Report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

DRAFT RESOLUTION B

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND
COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2021/2022 FOR
STREET AND STORM DRAIN MAINTENANCE DISTRICT NO. 01
(APPLE VALLEY)**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as City Council) has by previous Resolutions initiated proceedings to levy special benefit assessments against parcels of land within Street and Storm Drain Maintenance District No. 01 (Apple Valley) (hereafter referred to as the “District”) for the fiscal year commencing July 1, 2021 and ending June 30, 2022; pursuant to the provisions of the Benefit Assessment Act of 1982, Chapter 6.4 of the California Government Code, beginning with Section 54703 (hereafter referred to as the “Act”) to pay the costs and expenses of operation, maintenance, repair and servicing of local street right-of-way improvements and storm drain facilities related thereto; and

WHEREAS, the Engineer selected by the City Council has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council an Engineer’s Report in connection with the proposed levy of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution adopt and approve said Engineer’s Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2021 and ending June 30, 2022, to pay the costs and expenses of operation, maintenance, repair and servicing of local street right-of-way improvements and storm drain facilities related thereto; and

WHEREAS, the City Council conducted in May 2005 a property owner protest ballot proceeding for the District assessments proposed to be levied and majority protest of the assessments described in the Engineer’s Report did not exist pursuant to the provisions of the California State Constitution Article XIID.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving the Engineer’s Report prepared in connection therewith; the levy and collection of assessments, and considered the oral and written statements, protests and communications made or filed by interested persons.

SECTION 2. Based upon its review of the Engineer’s Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

- a) The land within District will receive special benefit by the operation, maintenance and servicing of improvements to be provided by the District.
- b) The District includes the lands receiving such special benefit.
- c) The net amount to be assessed upon the lands within the District is in accordance and apportioned by a formula and method which fairly distributes the net amount among the

eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 3. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the improvements that may include, but is not limited to local street right-of-way improvements and storm drain facilities within the District and the appurtenant facilities related thereto.

SECTION 4. The maintenance, operation and servicing of improvements shall be performed pursuant to the Act and the County Auditor of San Luis Obispo County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City.

SECTION 5. The City shall deposit the money representing assessments collected by the County for the District to the credit of a fund for the Street and Storm Drain Maintenance District No. 01 (Apple Valley), and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in the Engineers Report and generally described in Section 3 of this Resolution.

SECTION 6. The adoption of this Resolution constitutes the establishment of the maximum assessment rate described in the Engineer's Report and the levy of assessments for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 7. The City Clerk or her designee is hereby authorized and directed to file the levy with the County Auditor, per Section 54718 of the Act, upon adoption of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

CITY OF ATASCADERO

Fiscal Year 2021/22 Engineer's Report

Street and Storm Drain Maintenance District No. 01 (Apple Valley)

May 2021

Prepared by:



CITY OF ATASCADERO
Street and Storm Drain Maintenance District No. 01
(Apple Valley)

6500 Palma Avenue
Atascadero, CA 93422
Phone – (805) 461-5000
Fax – (805) 461-7612

CITY COUNCIL

Heather Moreno, Mayor

Heather Newsom, Mayor Pro Tem

Charles Bourbeau, Council Member

Mark Dariz, Council Member

Susan Funk, Council Member

AGENCY STAFF

Rachelle Rickard, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Danielle Wood, Client Services Director

Adina McCargo, Project Manager

Miranda Ray, Administrator

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1. ENGINEER'S LETTER

WHEREAS, on March 24, 2005 by Resolution No. 2005-042, the City Council of the City of Atascadero (the "City"), State of California, in accordance with and pursuant to the provisions of the Benefit Assessment Act of 1982, being Chapter 6.4 of the California Government Code, commencing with Section 54703 (hereafter referred to as the "1982 Act"), and in compliance with the substantive and procedural requirements of the California State Constitution Article XIID (hereafter referred to as the "California Constitution"), established the City of Atascadero Street and Storm Drain Maintenance District No. 01 (Apple Valley) (the "District"); and

WHEREAS, on May 11, 2021, the City Council, adopted its Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of an Engineer's Report for the District; and

WHEREAS, the Resolution Initiating Proceedings directed NBS to prepare and file a report describing the general nature, location, and extent of the improvements to be maintained; an estimate of the costs of the maintenance, operations, and servicing of the improvements for the District for the referenced fiscal year; a diagram for the District, showing the area and properties to be assessed; and an assessment of the estimated costs of the administration, maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the District in proportion to the special benefit received. The following table summarizes the proposed assessment for Fiscal Year 2021/22:

FY 2021/22 Summary of Assessment

Description	Amount
Estimated Annual Costs	\$20,690
Capital Reserve Collection/(Uses)	24,090
Levy Adjustments	(6,280)
Balance to Levy	\$38,500
Fiscal Year 2021/22 Maximum Rate	\$812.22
Fiscal Year 2021/22 Proposed Applied Rate	\$550.00

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information, and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed, and levied in accordance with the assessment methodology adopted, approved, and ordered by the City Council of the City of Atascadero and the 1982 Act.

City Engineer

2. EXECUTIVE SUMMARY

Pursuant to the provisions of the *Benefit Assessment Act of 1982, being Chapter 6.4 of the California Government Code, commencing with Section 54703* (hereafter referred to as the “1982 Act”), and in compliance with the substantive and procedural requirements of the *California State Constitution Article XIII D* (hereafter referred to as the “California Constitution”), the City Council of the City of Atascadero, County of San Luis Obispo, State of California (hereafter referred to as “City”), proposed to form and levy special benefit assessments for the district designated as:

Street and Storm Drain Maintenance District No. 01 (Apple Valley)

(hereafter referred to as the “District”), which includes the lots and parcels of land within the residential subdivision known as Apple Valley, Tract 2495 within the City limits of the City. This Engineer’s Report (hereafter referred to as the “Report”) has been prepared in connection with the levy and collection of annual assessments related thereto for Fiscal Year 2021/22.

The City Council formed the District, and provided for the levy and collection of annual assessments on the County tax rolls to provide ongoing funding for the costs and expenses required to service and maintain the street and storm drain improvements and facilities associated with and resulting from the development of properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1982 Act and the substantive and procedural provisions of the California Constitution.

This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements and facilities. The annual assessments described herein will provide a funding source for the continued operation and maintenance of streets, storm drain system, and appurtenant facilities installed in connection with the development of properties within the District.

The improvements and assessments described in this Report are based on the development of properties within the District and represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the streets and storm drain system that provides special benefits to properties within the District. The structure of the District (organization), the improvements, the method of apportionment, and assessments described herein are based on current development plans and specifications for Tract 2495; and by reference these plans and specifications are made part of this Report.

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

As part of this District’s formation, the City conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the *California Constitution, Article XIII D Section 4*. In conjunction with this ballot proceeding, the City Council conducted a noticed public hearing to

consider public testimonies, comments, and written protests regarding the formation of the District and levy of assessments. Upon conclusion of the public hearing, property owner protest ballots received were opened and tabulated to determine whether majority protest existed (ballots were weighted based on assessment amounts), and by resolution the City Council confirmed the results of the ballot tabulation. The tabulation of the ballots indicated that majority protest did not exist for the proposed assessments and the assessment range formula presented and described herein; therefore, the City Council approved the Report (as submitted or amended), ordered the formation of the District, and approved the levy and collection of assessments. The assessments for Fiscal Year 2005/2006 were submitted to the San Luis Obispo County Auditor/Controller for inclusion on the property tax roll for each parcel.

Each subsequent fiscal year, a Report shall be prepared and presented to the City Council describing any changes to the improvements, proposed services, the annual budget or assessments for that fiscal year and the City Council may hold a noticed public hearing regarding these matters prior to approving and ordering the proposed levy of assessments. If the proposed assessments for the District exceed the maximum assessment described herein (as approved by the property owners), the new or increased assessment must be confirmed through another property owner protest ballot proceeding before such an assessment may be imposed. It should be noted that an increased assessment to an individual property resulting from changes in development or land use does not constitute an increased assessment.

3. PLANS AND SPECIFICATIONS

3.1 Benefiting Properties within the District

The territory within the District consists of the lots, parcels, and subdivisions of land within the proposed residential subdivision known as the Apple Valley, Tract 2495, which encompasses an area of land totaling approximately twenty-eight acres (27.71 acres).

This residential subdivision includes seventy (70) single-family residential homes. The subdivision is situated in the northern portion of the City just southwest of Highway 101 and is generally located:

- South of Del Rio Road;
- North of Conejo Road;
- West of Ramona Road; and,
- East of Graves Creek.

3.2 Funding Authorized by the 1982 Act

As generally defined by the 1982 Act and applicable to this District, the City may impose a benefit assessment to finance the maintenance and operation costs of the following services:

- Drainage and Flood Control;
- Streets and Roads.

In addition to imposing a benefit assessment for the annual maintenance and operation of the District improvements, the City may also authorize an assessment or utilize existing assessment revenues to finance the installation, construction, or replacement of drainage and flood control facilities as well as the street and road improvements (with some limitations). While such activities are permitted under the 1982 Act, the budget and assessments for this District only provide for normal maintenance and operation of the improvements. Since most major rehabilitation/construction projects result from unforeseen damages, the extent and cost of such projects are not easily predicted and to accumulate funds as part of the normal annual assessments would not be reasonable. If such funding becomes necessary, the City may present a new or increased assessment to the property owners to support the projects.

3.3 Description of Improvements and Services

The purpose of this District is to fund the activities necessary to maintain and service the local streets and the drainage and flood control systems constructed and installed in connection with development of properties within the residential subdivision known as Apple Valley, Tract 2495 pursuant to approved development plans and agreements. The improvements may consist of all or a portion of the public streets, drainage and flood control facilities associated with Tract 2495 and the maintenance of these improvements may include but are not limited to the materials, equipment, labor, and incidental expenses deemed necessary to keep these improvements in satisfactory condition.

The maintenance of the improvements and related activities shall be funded entirely or partially through the District assessments. The District improvements and services are generally described as:

- Street maintenance that may include but is not limited to the repair and servicing of street surfaces, curbs, gutters, bridges, driveway approaches, sidewalks, barricades, delineation, signage, or other facilities within the public street right-of-ways installed in connection with the development of properties in Tract 2495 and that have been dedicated to the City;
- Storm drain and flood control maintenance that may include but is not limited to inspection, repair and servicing of drainage basins, inlets, catch basins, manholes, outlets, drywells, pumps, filters, and storm drain pipes installed in connection with the development of properties of Tract 2495 as well as any off-site improvements and facilities directly associated with the aforementioned infrastructure that is deemed necessary to service or protect the properties including waste water treatment;
- The appurtenant, equipment, materials, and service contracts related to the aforementioned improvements and facilities;
- Specifically excluded are those improvements or facilities: located on private property or common areas; that may be provided or maintained by an agency other than the City; that may be provided by another assessment or tax levied by the City; or that may be provided and maintained by a Homeowner's Association or similar entity.

Detailed maps and descriptions of the location and extent of the specific improvements to be maintained by the District are on file in the Office of Public Works and by reference are made part of this Report. Those portions of the District improvements that may be identified as general benefit or will be funded in whole or in part by other revenue sources as part of the approved development agreements, will not be included as part of the District assessments. The net annual cost to provide and maintain the improvements determined to be of special benefit shall be allocated to each property in proportion to the special benefits received.

3.3.1 STREET MAINTENANCE

The street maintenance program may include, but is not limited to: the repair of potholes, cracks, or other failures in the asphalt surface; repair or replacement of curbs, gutters, driveway approaches, and sidewalks as required as part of maintaining the streets; repair or installation of street signs, barricades, fencing, or other delineation; mechanized sweeping and cleaning of the streets and gutters; slurry sealing, overlays, and re-striping of the street surfaces. The specific activities and timing of various street and road maintenance services shall be determined by the City's Public Works Department as necessary to extend the life of the streets or to improve traffic circulation and safety as available funding permits. Specifically the street improvements for this District are identified as:

- Approximately 106,460 square feet of asphalt street surface located on the perimeter of the development (south half of Del Rio Road); and the various interior streets identified as Via Colonia Court, San Ramon Road, Via Huerto Court, Avenida Manzana, and San Ramon Road.
- Approximately 5,320 linear feet of curb and gutter along Del Rio Road, Via Colonia Court, San Ramon Road, Via Huerto Court, Avenida Manzana, San Ramon Road, and Conejo Road;
- Approximately 3,545 square feet of decorative street pavers and 1,254 linear feet of curb and

gutter in and around the two median islands on San Ramon Road (entryways to the development at Del Rio Road and Conejo Road);

- Approximately 70 driveway approaches, 25,394 square feet of sidewalks and various street signs within the District;
- Specifically not included as part of the street maintenance program are the costs associated with major replacements or reconstruction. Although the District assessments will provide funding for regular maintenance and servicing of the improvements that will extend the useful life of the street improvements, the assessments are not intended to fund major replacements or reconstruction of the street surfaces or adjacent improvements such as curbs, gutters, or driveway approaches. The costs of extensive replacement or reconstruction activities such as grinding and resurfacing of the asphalt; and replacement of curbs, gutters, driveway approaches, and sidewalks is significantly more than the amount that can reasonably be collected annually under the provisions of the 1982 Act. When such repairs or activities are deemed necessary, the City will consider various financing options including new or increased assessments for property owner approval.

The Public Works Department shall authorize the operational activities and maintenance of the public street and right-of-way improvements, facilities, and services that may include, but are not limited to:

- Regular street sweeping services necessary to control dirt and debris on street surfaces and gutters;
- Annual inspection of street surface and repair of potholes and surface cracks as needed;
- Periodic slurry or overly of street surfaces and driveway approaches (typically one or the other once every five years);
- Periodic re-striping of traffic lanes, bike lanes, street parking areas, crosswalks, and intersections (typically in conjunction with slurry or overly activities);
- Graffiti abatement of public improvements within the street right-of-ways that are maintained by the District including but not limited to sandblasting, repainting and repair of fences, walls, barricades, sidewalks, and signage as needed;
- Annual inspection and periodic repair or replacement of decorative street- pavers as needed;
- Annual inspection and minor repairs of curbs, gutters, driveway approaches, and sidewalks including partial segment replacements as needed to ensure pedestrian and vehicle safety or the integrity of the street;
- Annual inspection and periodic repair or rehabilitation of street signs and traffic control devices;
- Annual inspection and repair of barricades, street-fencing, delineation or retaining walls within the street right-of-ways as needed.

A portion of the services described above are not performed on an annual basis but rather on a periodic basis, such as slurry sealing or overlaying the asphalt streets, and the funds necessary for these activities are collected in installments as part of the annual assessments. The monies collected each year for these services will be accumulated in a special fund of the District (Reserve Fund or Capital Improvement Fund). The monies accumulated for these activities shall be spent when sufficient funds have been accumulated to perform the

services deemed necessary by the City (approximately every five years). This process of accumulating funds (installments) shall continue until such time the District is dissolved; or the City determines that such funding procedures require modification. Changes in the process of accumulating funds that would result in an increase to the annual assessment rate must be presented to the property owners for approval prior to imposing such an increase.

3.3.2 STORM DRAIN AND FLOOD CONTROL MAINTENANCE

The storm drain and flood control system associated with the District may include but is not limited to: drainage basins and bio-filters; channel ways; storm drain inlets, catch basins, manholes, outlets; drywells, pumps, filters and pipes. The storm drain system to be maintained primarily involves on-site facilities (within the District boundaries) but may also include off-site improvements such as water treatment equipment, facilities or services mandated or required by Federal, State, or County regulations for water pollution control. The annual assessments for this District are intended to support a storm drain and flood control maintenance program that will adequately regulate and control storm water runoff resulting from the development of properties within the District. This maintenance program may include but is not limited to: inspection and documentation of the system; cleaning, servicing, or repair of the facilities and equipment; and the partial replacement or rehabilitation of equipment and facilities. The storm drain and flood control system includes but is not limited to:

- Approximately 30,050 square feet of drainage basin area;
- Twenty-eight (28) inlets, outlets, and manholes located throughout Tract 2495;
- Approximately 2,100 linear feet of storm drain pipe ranging from 18 inches to 42 inches in diameter.

The Public Works Department shall authorize and schedule the operational activities and maintenance of the storm drain and storm water pollution treatment infrastructure, facilities, and services that may include, but are not limited to:

- Cleaning of storm drain inlets, catch basins, manholes, and pipes as needed;
- Stencil maintenance and documentation of facilities as required by Federal, State, or County regulations;
- Cleaning and landscape maintenance of the drainage basins, bio-filter areas or channel ways as needed;
- Debris removal and pest control in and around the storm drain facilities as needed;
- Minor repairs and maintenance of the storm drain inlets, catch basins, and outlets as needed;
- Street sweeping services necessary to control debris and water flow for the storm drain system; and,
- The operational costs related to NPDES compliance requirements.

A portion of the services described above are not performed on an annual basis but rather on a periodic basis such as minor repairs to the storm drain inlets, catch basins, and outlets, and the funds necessary for these activities are collected in installments as part of the annual assessments. The monies collected each year for these services will be accumulated in a special fund of the District (Reserve Fund or Capital Improvement Fund).

The monies accumulated for these activities shall be spent as needed to perform the services deemed necessary by the City. This process of accumulating funds (installments) shall continue until such time the District is dissolved; or the City determines that such funding procedures require modification. Changes in the process of accumulating funds that would result in an increase to the annual assessment rate must be presented to the property owners for approval prior to imposing such an increase.

4. ESTIMATE OF COSTS

Budget	2021/2022 Assessment
DIRECT COSTS	
Streets, Roads & Storm Drain Improvements	
Street Maintenance	\$7,850
Inspection & Operational Services - Roads, Drainage	7,540
Slurry Seal	0
Total Annual Direct Costs	\$15,390
ADMINISTRATION EXPENSES	
City Annual Administration	\$1,800
Engineer's Report & Services	3,300
Public Noticing	200
Total Annual Administration Costs	\$5,300
TOTAL DIRECT & ADMINISTRATION COSTS	\$20,690
CAPITAL RESERVE COLLECTIONS/(USES)	
Collection for Street Surface Activities	\$21,800
Collection Street Re-striping	80
Collection for Repair Activities: Curbs, Gutters, Approaches & Sidewalks	850
Collection for Debris Removal	380
Collection for Storm Drain Fencing	380
Collection for Storm Drain Infrastructure	600
Total Annual Capital Reserve Collections/(Uses)	\$24,090
LEVY ADJUSTMENTS	
Interest Income - Improvement Fund	(\$9,808)
Interest Income - Operating Reserve Fund	(262)
Reserve Fund Collection/(Use)	3,790
Total Levy Adjustments	(\$6,280)
BALANCE TO LEVY	\$38,500
DISTRICT STATISTICS	
Total Parcels	74
Parcels Levied	70
Total EBU ⁽¹⁾	70
Levy per EBU	\$550.00
Maximum Levy per EBU	\$812.22
FUND BALANCE INFORMATION	
Beginning Operating Reserve Balance	\$8,689
Operational Reserve Interest	262
Surplus Transfer from Improvement Fund	10,778
Operational Reserve Collection (Use)	(6,280)
Estimated Ending Operating Reserve Balance	\$13,449
Beginning Improvement Fund Balance	\$481,107
Improvement Fund Interest	9,808
Surplus Transfer to Operations Fund	(10,778)
Improvement Fund Collection/(Use)	24,084
Estimated Ending Improvement Fund Balance	\$504,221

⁽¹⁾ Levy per EBU rate does not include the County of San Luis Obispo fee of \$2.00 per parcel

5. METHOD OF ASSESSMENT

5.1 General

The 1982 Act permits the establishment of assessment districts by agencies for the purpose of providing for the maintenance, operation, and servicing of drainage and flood control improvements as well as streets, roads, and appurtenant facilities. The 1982 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The amount of the assessment imposed on any parcel of property shall be related to the benefit to the parcel which will be derived from the provision of the service”.

Furthermore:

“The annual aggregate amount of the assessment shall not exceed the estimated annual cost of providing the service, except that the legislative body may, by resolution, determine that the estimated cost of work authorized ... is greater than can be conveniently raised from a single annual assessment and order that the estimated cost shall be raised by an assessment levied and collected in installments.... The revenue derived from the assessment shall not be used to pay the cost of any service other than the service for which the assessment was levied.”

The method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices in compliance with the provisions of the 1982 Act and the California Constitution. The formulas used for calculating assessments reflects the composition of parcels within the District and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

5.2 Benefit Analysis

Each of the proposed improvements and services, and the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the 1982 Act and the California Constitution. The street and storm drain improvements associated with this District were necessary and essential requirements for the orderly development of the properties within the District to their full potential, consistent with the development plans and applicable portions of the City’s General Plan. As such the ongoing operation, servicing, and maintenance of those improvements would otherwise be the direct financial obligation of each individual property owner. Since each parcel to be assessed within the District could not have been developed in the absence of these improvements and facilities, each parcel has a direct investment in the proper maintenance of the improvements that is over and above any general benefits that may be conferred by such improvements and services.

The ongoing maintenance and servicing of the District improvements is an integral part of the appearance, use and preservation of the properties within the District and such services to be funded by annual assessments confer a particular and distinct special benefit to those parcels. The proper maintenance of streets and appurtenant facilities allows individual parcels to be used to their fullest extent by ensuring the safe and

efficient movement of people and goods to and from the benefiting properties. Likewise, the maintenance and servicing of the storm drain system ensures proper water flow and control of excess water during periods of rain, which is essential to preservation and protection of private property. Together the maintenance and servicing of the streets and storm drain system contributes to a specific enhancement of each of the parcels within the District and the absence of adequate maintenance and servicing of the District improvements could eventually have a negative impact on properties within the District.

Although the improvements may include public streets and storm drain facilities that connect to similar facilities outside the District boundaries, it is clear that the construction and installation of these improvements were only necessary for the development of properties within the District. As such, these improvements were not required nor necessarily desired by any properties or developments outside the District boundary and any public access or use of the improvements by others is incidental. Therefore, it has been determined that the ongoing maintenance, servicing and operation of the District improvements provide no measurable general benefit to properties outside the District or to the public at large, but clearly provide distinct and special benefits to properties within the District. Any improvement or portion thereof (particularly off-site storm drain facilities) that may be considered general benefit shall be funded by other revenue sources and not included as part of the special benefit assessments allocated to properties within this District. However, the costs associated with installation or improvement of any off-site facilities that benefit the parcels within this District as well as other properties (shared benefit) may be allocated to the parcels within the District based on their proportional special benefit from such improvements.

5.3 Assessment Methodology

The costs associated with the improvements and services shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with the California Constitution Article XIII D Section 4, 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 within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

The method of apportionment established for this District and described herein, reflects the proportional special benefit each property receives from the improvements and services based on the actual or proposed land use of that parcel as compared to other properties within the District based on similarities and differences in parcel land use.

5.3.1 EQUIVALENT BENEFIT UNITS:

To assess benefits equitably it is necessary to relate each property's proportional special benefits to the special benefits of the other properties within the District. The method of apportionment established for most districts formed under the 1982 Act utilizes a weighted method of apportionment known as an Equivalent Benefit Unit (EBU) methodology that uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Benefit Unit (EBU) and the other land uses are converted to a weighted EBU based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

Although the Equivalent Benefit Unit method of apportioning special benefit is most commonly used and

applied to districts that have a wide range of land use classifications (residential and non-residential use), this District is comprised of only residential properties and the following apportionment analysis of special benefit addresses only residential land uses. Not all land use types described in the following are necessarily applicable to the development of properties within this District, but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the District.

5.3.2 EBU APPLICATION BY LAND USE:

- (1) **Single-family Residential** — This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.0 EBU per lot or parcel. This is the base value that the other properties are compared and weighted against (i.e. Equivalent Benefit Unit “EBU”).
- (2) **Multi-family Residential** — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. (This land use typically includes apartments, duplexes, triplex etc., but does not generally include condominiums, town-homes or mobile-home parks). Based on average population densities and size of the structure as compared to a typical single-family residential unit, multi-family residential parcels shall be proportionately assessed for the parcel’s total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single-family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single-family residence (Sample Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition). These various studies indicate that most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases; the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by this District, an appropriate allocation of special benefit for multi-family residential properties as compared to a single-family residential property is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 50 units; 0.50 EBU per unit for units 51 through 100; and 0.25 EBU per unit for the remaining units.
- (3) **Condominium/Town-home Units** — Condominiums and town-homes tend to share attributes of both single-family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single-family residential properties, these properties are not usually considered rental property and generally, the County assigns each unit a separate APN or assessment number. However, condominiums and town-homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes, and similar residential properties is best represented by an assignment of 0.75 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to an APN. (There is no adjustment for parcels with more than five units).

- (4) **Planned-Residential Development** — This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the District. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a single APN). Each parcel that is part of the approved tract map shall be assessed proportionately for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single-family, condominium, multi-family units to be developed).
- (5) **Vacant Residential** — This land use is defined as property currently zoned for residential development, but a tentative or final tract map for the property has not yet been approved. Based upon the opinions of professional appraisers who appraise market property values for real estate in California, the land value portion of a property typically ranges from 20 to 30 percent of the total value of a developed residential property (the average is about 25 percent). Although the assessed value of an individual property is not a direct reflection of the property's special benefit, this general correlation between land value and structure value does provide a reasonable basis for apportioning special benefit for vacant residential properties. Utilizing this twenty-five percent (25%) apportionment and the number of single-family residential units typically developed per acre of land (an average of 4 residential units per acre) an Equivalent Benefit Unit of 1.0 EBU per acre (4 units per acre x 25%) is derived and presents an appropriate apportionment of special benefit for vacant residential properties. Recognizing that the full and timely utilization of vacant property is reduced as the size of the property increases, it has been determined that the maximum EBU assigned to a vacant residential parcel shall not exceed 25.0 EBU (parcels in excess of 25 acres are assigned 25.0 EBU). Parcels less than one acre, shall be assigned a minimum of 1.0 EBU (similar to a vacant lot within a residential tract).
- (6) **Exempt Parcels** — This land use identifies properties that are not assessed and are assigned 0.0 EBU. 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 including open space areas, utility rights-of-way, greenbelts, parkways, parks, or other publicly owned properties that are part of the District improvements or may provide other benefits to private properties within the District.;
 - Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels, or bifurcated lots or properties with very restrictive development use.

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment, but shall be reviewed annually by the assessment engineer to confirm the parcels current development status. Government owned properties or public properties are not necessarily exempt properties and shall be subject to special benefit assessment unless it qualifies for an exempt status.

- (7) **Special Cases** — In many districts where multiple land use classifications are involved, there are usually one or more properties for which the standard land use classifications do not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a Vacant Residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel.

The following table provides a summary of land use classifications and the Equivalent Benefit Unit calculations previously outlined.

Property Type	Equivalent Benefit Units	Multiplier
Single-family Residential	1.00	Per Unit/Lot/Parcel
Multi-family Residential	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Condominium/Townhome Units	0.75	Per Unit
Planned Residential Development	1.00	Per Planned SF Residential Lot
	0.75	Per Planned Condominium
	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Vacant Residential Land	1.00	Per Acre
Exempt Parcels	0.00	Per Parcel

The following formula is used to calculate each parcel's EBU (proportional benefit).

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of Equivalent Benefit Units (EBU's) is the sum of the individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of the parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

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

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

5.4 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 XIIC and XIID), 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 (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, the notice and assessment ballots presented to the property owners for approval included a maximum assessment amount for Fiscal Year 2005/2006 (initial maximum assessment), identification of the corresponding maximum assessment rate and a summary of the Assessment Range Formula described herein.

The Assessment Range Formula for this District shall be applied to the future assessments and is generally defined:

- If the proposed annual assessment (levy per EBU) for the upcoming fiscal year is less than or equal to the adjusted Maximum Assessment Rate, then the proposed annual assessment is not considered an increased assessment.
- The Maximum Assessment Rate is equal to the (Initial) Maximum Assessment Rate established for Fiscal Year 2005/2006 adjusted annually by the greater of, three percent (3%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-San Jose Area from February to February. The Maximum Assessment rate was increased by 3.00% for Fiscal Year 2021/22.

Beginning with Fiscal Year 2006/2007 and each fiscal year thereafter, the Maximum Assessment Rate has been recalculated and a new Maximum Assessment Rate established for the fiscal year utilizing the Assessment Range Formula described above. The Maximum Assessment Rate is calculated independent of the District's annual budget and proposed assessment. The annual percentage change in CPI is based on available data provided by the U.S. Department of Labor; Bureau of Labor Statistics at the time the annual Report is prepared. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living. In January 2018, BLS introduced a new geographic area sample for the CPI. As part of the change the index for this area was renamed from San Francisco-Oakland-San Jose to San Francisco-Oakland-Hayward. The metropolitan area is comprised of Alameda, Contra Costa, Marin, San Francisco, San Mateo Counties in the State of California. This CPI will be used going forward.

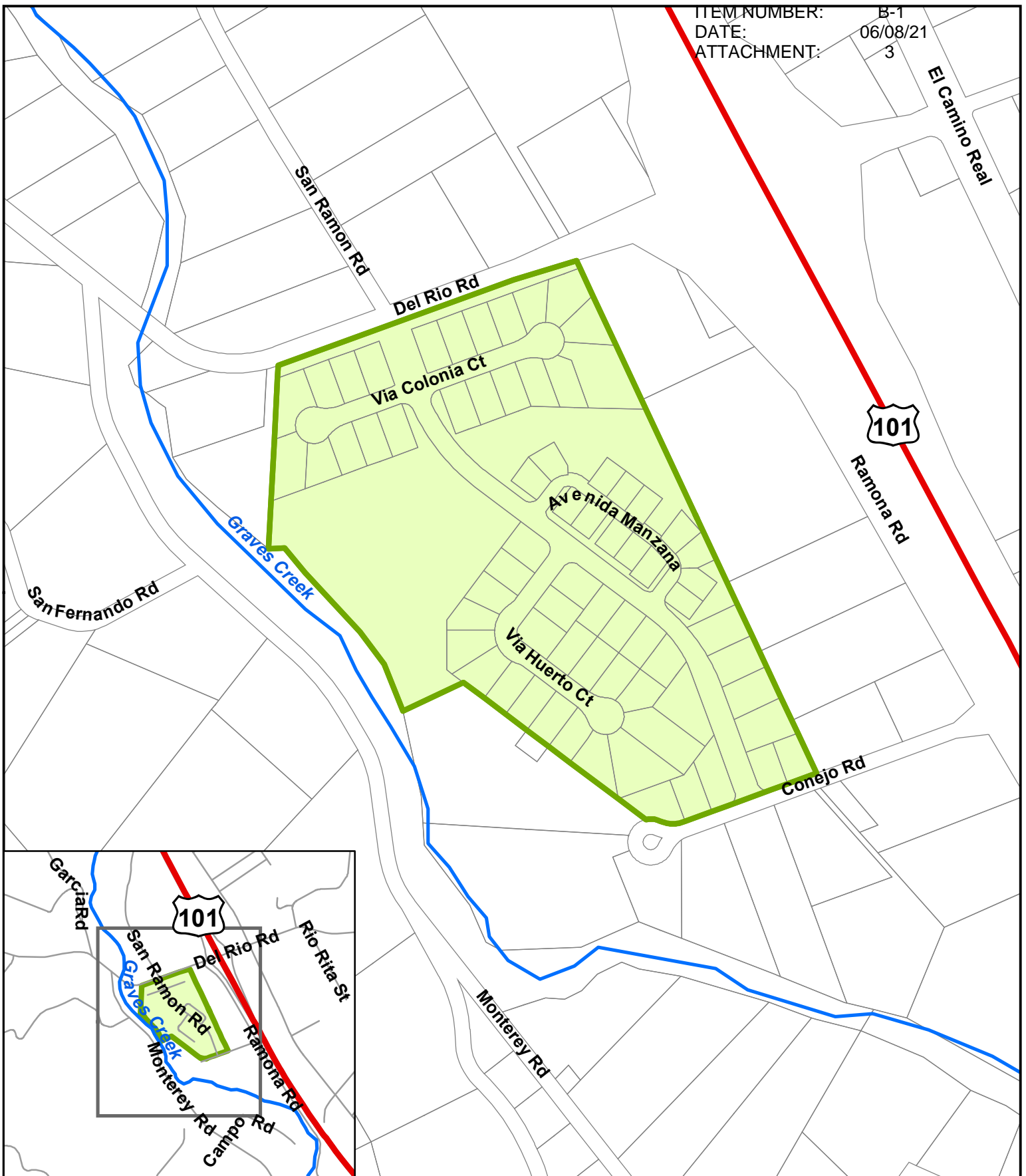
Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the method of apportionment that increase the proportional special benefit assigned to a particular land use classification would be considered an increased assessment. Conversely, reductions in the proportional special benefit assigned to a land use classification is permitted. Changes in land use or size of an individual property resulting in an assessment increase, are not considered an increased assessment.

To impose a new or increased assessment other than the annual inflationary adjustment provided by the preceding Assessment Range Formula, the City must comply with the provisions of the California Constitution Article XIID Section 4c, that requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve a proposed new or increased assessment before such an assessment may be imposed.

6. ASSESSMENT DIAGRAM

The parcels within the Street and Storm Drain Maintenance District No. 01 (Apple Valley) consist of the lots, parcels, and subdivisions of land located in the residential development known as Apple Valley, Tract 2495. The District covers approximately twenty-eight acres (27.71 acres) in the northern portion of the City of Atascadero.

The following map is based on the District Diagram, the San Luis Obispo County Assessor's Maps and the San Luis Obispo County Assessor's information and identifies the parcels of land within the proposed District, as the same existed at the time the District was formed. The combination of the District Diagram on file with the City Clerk and the Assessment Roll contained in this Report constitute the District Assessment Diagram.



CITY OF ATASCADERO

APPLE VALLEY

Street and Storm Drain Maintenance District No. 1

Landscaping and Lighting District No. 1



7. ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District is based on the Assessment Diagram presented herein and is based on available parcel maps and property data from the San Luis Obispo County Assessor's Office at the time the Engineer's Report was prepared. A listing of the proposed lots and parcels to be assessed within this District along with the assessment amounts is provided herein.

Non-assessable lots or parcels may include, but are not limited to public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas, right-of-ways, common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has little or no value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

City of Atascadero
Street & Storm Drain Maintenance No. 1
Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-192-001	\$550.00	\$812.22
049-192-002	550.00	812.22
049-192-003	550.00	812.22
049-192-004	550.00	812.22
049-192-005	550.00	812.22
049-192-006	550.00	812.22
049-192-007	550.00	812.22
049-192-008	550.00	812.22
049-192-009	550.00	812.22
049-192-010	550.00	812.22
049-192-011	550.00	812.22
049-192-012	550.00	812.22
049-192-013	550.00	812.22
049-192-014	550.00	812.22
049-192-015	550.00	812.22
049-192-016	550.00	812.22
049-192-017	550.00	812.22
049-192-018	550.00	812.22
049-192-019	550.00	812.22
049-192-020	550.00	812.22
049-192-021	550.00	812.22
049-192-022	550.00	812.22
049-193-001	550.00	812.22
049-193-002	550.00	812.22
049-193-003	550.00	812.22
049-193-004	550.00	812.22
049-193-005	550.00	812.22
049-193-006	550.00	812.22
049-193-007	550.00	812.22
049-193-008	550.00	812.22
049-193-010	550.00	812.22
049-193-011	550.00	812.22
049-193-012	550.00	812.22
049-193-013	550.00	812.22
049-193-014	550.00	812.22
049-193-015	550.00	812.22
049-193-016	550.00	812.22
049-193-017	550.00	812.22
049-193-018	550.00	812.22
049-193-019	550.00	812.22
049-193-020	550.00	812.22
049-193-021	550.00	812.22

City of Atascadero

Street & Storm Drain Maintenance No. 1

Final Billing Detail Report for Fiscal Year 2021/22

ITEM NUMBER: B-1
DATE: 06/08/21
ATTACHMENT: 3

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-193-022	550.00	812.22
049-193-023	550.00	812.22
049-193-024	550.00	812.22
049-193-025	550.00	812.22
049-193-026	550.00	812.22
049-193-027	550.00	812.22
049-193-028	550.00	812.22
049-193-029	550.00	812.22
049-193-030	550.00	812.22
049-193-031	550.00	812.22
049-193-032	550.00	812.22
049-193-033	550.00	812.22
049-193-034	550.00	812.22
049-193-035	550.00	812.22
049-193-036	550.00	812.22
049-193-037	550.00	812.22
049-193-038	550.00	812.22
049-193-039	550.00	812.22
049-193-040	550.00	812.22
049-193-041	550.00	812.22
049-193-042	550.00	812.22
049-193-043	550.00	812.22
049-193-044	550.00	812.22
049-193-045	550.00	812.22
049-193-046	550.00	812.22
049-193-047	550.00	812.22
049-193-048	550.00	812.22
049-193-051	550.00	812.22
70 Accounts	\$38,500.00	\$56,855.48

Slight variances may occur due to rounding

DRAFT RESOLUTION C

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, 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 2021/2022**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as the "City Council"), pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code, did by previous Resolution order the Engineer, NBS, to prepare and file a report in accordance with Article 4 of Chapter 1 of Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500, in connection with the proposed levy for Landscaping and Lighting District No. 01 (Apple Valley) (hereafter referred to as the "District") and the collection of assessments related thereto for the fiscal year starting July 1, 2021 and ending June 30, 2022; and

WHEREAS, the Engineer has prepared and filed with the City Clerk of the City of Atascadero and the City Clerk has presented to the City Council such report entitled "Engineer's Annual Levy Report for the Landscaping and Lighting District No. 01 (Apple Valley), fiscal year 2021/2022" (hereafter referred to as the "Engineer's Report") in accordance with the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (hereafter referred to as the "Act"); and

WHEREAS, the City Council has carefully examined and reviewed the Engineer's Report as presented, and is satisfied with the items and documents as set forth therein, and finds that the levy of assessments has been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented, consists of the following:

- a) Plans and specifications that describe the District and Improvements.
- b) Method of Apportionment that outlines the special benefit conferred on properties within the District from the improvements and the calculations used to establish each parcel's proportional special benefit assessment as well as a description of the assessment range formula that establishes the maximum assessment rate in subsequent fiscal years.
- c) The Budget that outlines the costs and expenses to service, and maintain the improvements including incidental expenses authorized by the Act to operate the District.
- d) An Assessment Diagram that identifies the boundaries of the District.

e) An Assessment Roll containing each of the Assessor's Parcel Numbers that comprise the District and the proportional maximum assessment and annual assessment for fiscal year 2021/2022.

SECTION 3. The Engineer's Report as presented, is hereby approved, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the adoption and approval of the Engineer's Report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

DRAFT RESOLUTION D

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND
COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2021/2022 FOR
LANDSCAPING AND LIGHTING DISTRICT NO. 01 (APPLE VALLEY)**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as City Council) has by previous Resolutions initiated proceedings and declared its intention to levy special benefit assessments against parcels of land within the Landscaping and Lighting District No. 01 (Apple Valley) (hereafter referred to as the "District") for fiscal year 2021/2022, said fiscal year commencing July 1, 2021 and ending June 30, 2022; pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereinafter referred to as the "Act") to pay the costs and expenses of operation, maintenance, repair and servicing of local landscaping, street lighting and appurtenant facilities related thereto; and

WHEREAS, the Engineer selected by the City Council has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council an Engineer's Report in connection with the proposed levy of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution adopt and approve said Engineer's Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2021 and ending June 30, 2022, to pay the costs and expenses of operation, maintenance, repair and servicing of local landscaping, street lighting, and appurtenant facilities related thereto; and

WHEREAS, the City and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of Section XIID of the California State Constitution.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving the Engineer's Report prepared in connection with the levy and collection of assessments, and considered the oral and written statements, protests and communications made or filed by interested persons.

SECTION 2. Based upon its review of the Engineer's Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

a) The land within District will receive special benefit by the operation, maintenance and servicing of improvements to be provided by the District.

b) The net amount to be assessed upon the lands within the District is in accordance and apportioned by a formula and method which fairly distributes the net amount among the eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 3. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the improvements that may include, but is not limited to local street lights, landscaping, parks and open space areas within the District and appurtenant facilities related thereto.

SECTION 4. The maintenance, operation and servicing of improvements shall be performed pursuant to the Act and the County Auditor of San Luis Obispo County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City.

SECTION 5. The City shall deposit the money representing assessments collected by the County for the District to the credit of a fund for the Landscaping and Lighting District No. 01 (Apple Valley), and such money shall be expended for the maintenance, operation and servicing of the improvements as described in the Engineers Report and generally described in Section 3 of this Resolution.

SECTION 6. The adoption of this Resolution constitutes the levy of assessments for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 7. The City Clerk or their designee is hereby authorized and directed to file the levy with the County Auditor, per Sections 22645-22647 of the Act, upon adoption of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

CITY OF ATASCADERO

Fiscal Year 2021/22 Engineer's Report For:

Landscaping and Lighting District

District No. 01 (Apple Valley)

May 2021

Prepared by:



CITY OF ATASCADERO
Landscaping & Lighting District No. 01
(Apple Valley)

6500 Palma Avenue
Atascadero, CA 93422
Phone – (805) 461-5000
Fax – (805) 461-7612

CITY COUNCIL

Heather Moreno, Mayor

Heather Newsom, Mayor Pro Tem

Charles Bourbeau, Council Member

Mark Dariz, Council Member

Susan Funk, Council Member

AGENCY STAFF

Rachelle Rickard, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Danielle Wood, Client Services Director

Adina McCargo, Project Manager

Miranda Ray, Administrator

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1. ENGINEER'S LETTER

WHEREAS, on March 24, 2005 by Resolution No. 2005-045, the City Council of the City of Atascadero (the "City"), State of California, in accordance with and pursuant to the Landscape and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500 (the "1972 Act")) established the City of Atascadero Landscaping and Lighting District No. 01 (Apple Valley) (the "District"); and

WHEREAS, on May 11, 2021, the City Council, under the 1972 Act, adopted its Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of an Engineer's Report for the District; and

WHEREAS, the Resolution Initiating Proceedings directed NBS to prepare and file a report describing the general nature, location, and extent of the improvements to be maintained; an estimate of the costs of the maintenance, operations, and servicing of the improvements for the District for the referenced fiscal year; a diagram for the District, showing the area and properties to be assessed; and an assessment of the estimated costs of the administration, maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the District in proportion to the special benefit received. The following table summarizes the proposed assessment for Fiscal Year 2021/22:

FY 2021/22 Budget Summary

Description	Total Costs	Costs Not Assessed	Proposed Assessment	Total Benefit Units	Maximum Rate	Proposed Rate Per BU
Annual Maintenance	\$84,280	(\$10,090)	\$74,190			
Special Annual Projects	24,000	0	24,000			
Administration	6,920	0	6,920			
Capital Reserve Collections/(Uses)	5,491	(650)	4,841			
Levy Adjustments	(57,691)	(10,740)	(46,951)			
Total	\$63,000	\$0	\$63,000	70	\$1,774.95	\$900.00

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information, and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed, and levied in accordance with the assessment methodology adopted, approved, and ordered by the City Council of the City of Atascadero and the 1972 Act.

City Engineer

2. EXECUTIVE SUMMARY

Pursuant to the provisions of the Landscaping and *Lighting Act of 1972*, being *Part 2 of Division 15* of the *California Streets and Highways Code*, commencing with *Section 22500* (hereafter referred to as the “1972 Act”), and in compliance with the substantive and procedural requirements of the California State Constitution Article XIII D (hereafter referred to as “Article XIII D”), the City Council of the City of Atascadero, County of San Luis Obispo, State of California (hereafter referred to as “City”), executed the proceedings required for the establishment of the special benefit assessment district designated as:

Landscaping and Lighting District No. 01 (Apple Valley)

(hereafter referred to as the “District”), which includes the lots and parcels of land within the residential subdivision known as Apple Valley, Tract 2495 within the City limits of the City. This Engineer’s Report (hereafter referred to as the “Report”) has been prepared in connection with the levy and collection of annual assessments related thereto for Fiscal Year 2021/22, as required pursuant to Chapter 1, Article 4 of the 1972 Act.

The City Council formed the District, and provided for the levy and collection of annual assessments on the County tax rolls to provide ongoing funding for the costs and expenses required to service and maintain the landscaping and lighting improvements associated with and resulting from the development of properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1972 Act and the substantive and procedural provisions of Article XIII D.

This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements. The annual assessments will provide a funding source for the continued operation and maintenance of public landscaping and lighting improvements installed in connection with the development of properties within the District.

The improvements and assessments described in this Report are based on the planned development of properties within the District and represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the improvements. The boundaries of the District, the proposed improvements, the method of apportionment, and assessments described herein are based on current development plans and specifications for Tract 2495; and by reference these plans and specifications are made part of this Report.

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

As part of the District formation, the City of Atascadero conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the California Constitution, Article XIII D Section 4. In conjunction with this ballot proceeding, the City Council conducted a noticed public hearing on May 24, 2005 to consider public testimonies, comments and written protests regarding the formation of the District and levy of assessments. Upon conclusion of the public hearing, property owner protest ballots received were opened and tabulated to determine whether majority protest

existed (ballots were weighted based on assessment amounts), and by resolution the City Council confirmed the results of the ballot tabulation. Tabulation of the ballots indicated that majority protest did not exist for the proposed assessments and the assessment range formula presented and described herein, the City Council approved the Report (as submitted or amended), ordered the formation of the District, and approved the levy and collection of assessments. The assessments for Fiscal Year 2005/2006 were submitted to the San Luis Obispo County Auditor/Controller for inclusion on the property tax roll for each parcel.

Each subsequent fiscal year, an Engineer's Report shall be prepared and presented to the City Council describing the District any changes to the District or improvements and the proposed budget and assessments for that fiscal year and the City Council shall hold a noticed public hearing regarding these matters prior to approving and ordering the proposed levy of assessments. If the proposed assessments for the District exceed the maximum assessment described herein (as approved by the property owners), the new or increased assessment must be confirmed through another property owner protest ballot proceeding before such an assessment may be imposed. It should be noted that an increased assessment to an individual property resulting from changes in development or land use does not constitute an increased assessment.

3. PLANS AND SPECIFICATIONS

3.1 Description of the District

The territory within the District consists of the lots, parcels and subdivisions of land within the proposed residential subdivision known as the Apple Valley, Tract 2495, which encompasses an area of land totaling approximately twenty-eight acres (27.71 acres).

This residential subdivision includes seventy (70) single-family residential homes. The subdivision is situated in the northern portion of the City of Atascadero just southwest of Highway 101 and is generally located:

- South of Del Rio Road;
- North of Conejo Road;
- West of Ramona Road; and,
- East of Graves Creek

3.2 Improvements and Services Authorized by the 1972 Act

As generally defined by the 1972 Act and applicable to this District, the improvements and associated assessments may include one or more of the following:

- 1) The installation or planting of landscaping;
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities;
- 3) The installation or construction of public lighting facilities including, but not limited to street lights and traffic signals;
- 4) 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;
- 5) The installation of park or recreational improvements, including, but not limited to, all of the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts, and public restrooms.
- 6) The acquisition of land for park, recreational, or open-space purposes or any existing improvement otherwise authorized pursuant to this section.
- 7) The maintenance or servicing, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement including but not limited to:
 - a) Repair, removal, or replacement of all or any part of any improvements;
 - b) Grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities;

- c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
 - d) The removal of trimmings, rubbish, debris, and other solid waste;
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti;
 - f) Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements;
 - g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 8) Incidental expenses associated with the improvements including, but not limited to:
- a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices;
 - c) Compensation payable to the County for collection of assessments;
 - d) Compensation of any engineer or attorney employed to render services;
 - e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
 - f) Costs associated with any elections held for the approval of a new or increased assessment.

3.3 Description of Improvements and Services

The purpose of this District is to ensure the ongoing maintenance, operation and servicing of local landscaping and street lighting improvements established or installed in connection with development of properties within the District. The improvements may consist of all or a portion of the public landscaped areas, street lighting and appurtenant facilities within and adjacent to the District (Tract 2495). These improvements generally include, but are not limited to the materials, equipment, utilities, labor, appurtenant facilities and expenses necessary for the ongoing maintenance and operation of public street lighting as well as landscaped parkways, medians, slopes, trails, park areas, drainage basins, open space areas and other designated easements or right-of-ways constructed and installed as part of the development plans and agreements approved for the development of each lot and parcel within the District. The improvements to be maintained and funded entirely or partially through the District assessments are generally described as:

- Streetscape landscaping including street trees located on the perimeter of the development and interior streets of Tract 2495 that are within the public right-of-ways or easements and dedicated to the City for maintenance;
- Open space areas and fuel modification areas within or adjacent to the District boundaries;
- Park areas, recreational equipment, trails and landscaped drainage facilities developed and constructed as part of developing properties within Tract 2495;
- Public lighting facilities including street lighting, safety lighting and ornamental lighting installed as

part of the residential development or landscaped improvement areas;

- Appurtenant facilities, equipment, materials and utilities related to the aforementioned improvements;
- Specifically not included as District improvements are those improvements located on private property, improvements and facilities that may be provided or maintained by an agency other than the City; improvements and facilities that may be provide by another assessment or tax levied by the City or any improvement provided and maintained by a Homeowner's Association or similar entity.

Detailed maps and descriptions of the location and extent of the specific improvements to be maintained by the District are on file in the Office of Public Works and by reference are made part of this Report. Those portions of the District improvements that may be identified as general benefit or will be funded in whole or in part by other revenue sources as part of the approved development agreements, will not be included as part of the District assessments. The net annual cost to provide and maintain the improvements determined to be of special benefit shall be allocated to each property in proportion to the special benefits received.

3.3.1 LANDSCAPE IMPROVEMENTS

The landscape improvements for the District may include, but are not limited to turf, ground cover, shrubs and plants, trees, irrigation and drainage systems, ornamental lighting, masonry walls or other fencing, hardscape improvements, monuments, and associated appurtenant facilities located within the landscape easements or public right-of-ways. Specifically the landscape improvement areas for this District are identified as:

- Approximately 30,580 square feet of streetscape (parkway) landscaping within the public right-of-ways located on the perimeter of the development (south side of Del Rio Road); and along various locations of the interior streets including Via Colonia Court, San Ramon Road, Via Huerto Court, Avenida Manzana, and San Ramon Road.
- Approximately 108 street trees located along Del Rio Road, Via Colonia Court, San Ramon Road, Via Huerto Court, Avenida Manzana, San Ramon Road and Conejo Road;
- Approximately 12,541 square feet of landscaping and trees within the median islands on San Ramon Road located at the two entryways to the development (Del Rio Road and Conejo Road);
- Approximately 106,460 square feet of non-irrigated open space area within the District;
- Approximately 109,837 square feet of irrigated park and open space areas within the boundaries of the District including 56,647 square feet of turf; 40,335 square feet of irrigated open space; and 12,855 square feet of landscaped slopes within two drainage basins (6,690 and 6,165 square feet respectively); along with various trees and picnic areas;
- Approximately 10,320 square feet of paths and trails, 25,394 square feet sidewalks and 5,145 linear feet of fencing within and adjacent to the various landscape improvement areas.

3.3.2 PUBLIC LIGHTING IMPROVEMENTS

The lighting improvements may include but are not limited to the cost of providing electrical energy and

servicing of lighting fixtures, poles, meters, conduits, electrical cable and associated appurtenant facilities associated with:

- Lighting facilities located within the landscaped areas including safety lights, security lights or ornamental lights installed as part of the District improvements.

4. ESTIMATE OF COSTS

BUDGET	Total Budget	Costs Not Assessed	2021/2022 Assessment
DIRECT COSTS			
Annual Costs			
Landscape Services	\$47,500	(\$6,550)	\$40,950
Landscape Supplies	2,500	0	2,500
Landscape Utilities	14,160	(3,540)	10,620
City Landscape Services	10,120	0	10,120
Tree Trimming and Replacement	10,000	0	10,000
Total Annual Direct Costs	\$84,280	0	\$74,190
CAPITAL EXPENDITURES			
Special Projects	\$24,000	\$0	\$24,000
Total Annual Special Projects	\$24,000	\$0	\$24,000
ADMINISTRATION EXPENSES			
Annual Administration Expenses			
City Annual Administration	\$2,100	\$0	\$2,100
Engineer's Report & Services	4,240	0	4,240
Public Noticing	580	0	580
Total Administration	\$6,920	\$0	\$6,920
TOTAL DIRECT & ADMINISTRATION COSTS	\$115,200	(\$10,090)	\$105,110
CAPITAL RESERVE COLLECTIONS/(USES)			
Landscape Rehabilitation/Replacement	\$1,300	(\$650)	\$650
Median Rehabilitation/Replacement	238	0	238
Open Space Rehabilitation/Replacement	1,120	0	1,120
Tree Rehabilitation/Replacement	2,033	0	2,033
Other Rehabilitation/Replacement	800	0	800
Total Annual Capital Reserve Collections/(Uses)	\$5,491	(\$650)	\$4,841
LEVY ADJUSTMENTS			
Interest Income - Improvement Fund	(\$2,375)	\$0	(\$2,375)
Interest Income - Operating Reserve Fund	(1,178)	0	(1,178)
Contributions from other Sources	(10,740)	(10,740)	0
Reserve Collection/(Use)	(43,398)	0	(43,398)
Total Levy Adjustments	(\$57,691)	(\$10,740)	(\$46,951)
BALANCE TO LEVY	\$63,000	\$0	\$63,000
DISTRICT STATISTICS			
Total Parcels			74
Parcels Levied			70
Total EBU ⁽¹⁾			70
Levy per EBU			\$900.00
Maximum Levy per EBU			\$1,774.95
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance			\$39,817
Operational Reserve Interest			\$1,178
Surplus Transfer from Improvement Fund			58,736
Operational Reserve Collection (Use)			(\$46,951)
Estimated Ending Operating Reserve Balance			\$52,780
Beginning Improvement Fund Balance			\$157,259
Improvement Fund Interest			\$2,375
Surplus Transfer to Operations Fund			(\$58,736)
Improvement Fund Collection/(Use)			\$5,490
Estimated Ending Improvement Fund Balance			\$106,388

⁽¹⁾ Levy per EBU rate does not include the County of San Luis Obispo fee of \$2.00 per parcel

5. METHOD OF ASSESSMENT

5.1 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:

“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 method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices and have been established pursuant to the 1972 Act and the provisions of Article XIID. The formulas used for calculating assessments reflects the composition of parcels within the District and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

5.2 Benefit Analysis

Each of the proposed improvements, the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the 1972 Act and Article XIID. The improvements provided by this District and for which properties will be assessed have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the development plans and applicable portions of the City General Plan. 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 a distinct and special benefit to the properties within the District. Any improvement or portion thereof that is considered to be of general benefit shall be funded by other revenue sources and not included as part of the special benefit assessments allocated to properties within the District.

5.2.1 SPECIAL BENEFIT

The method of apportionment (method of assessment) established herein is based on the premise that each assessed parcel within the District receives special benefits from the improvements and the desirability and security of those properties is enhanced by the presence of public lighting and well-maintained landscaping in close proximity to those properties

The special benefits associated with landscape improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area and properties.

- Enhanced adaptation of the urban environment within the natural environment from adequate green space 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 District resulting from well-maintained improvements associated with the properties.
- Enhanced quality of life through well-maintained green space and landscaped areas.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District 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 and other public lighting facilities 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, streets and public areas.
- 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.

The preceding special benefits contribute to the esthetic value and desirability of each of the assessed parcels within the District and thereby provide a special enhancement of the properties. Furthermore, it has been determined that the lack of funding to properly service and maintain the District improvements would have a negative impact on the properties within the District.

5.2.2 GENERAL BENEFIT

In reviewing each of the District improvements, the proximity of those improvements to both properties within the District and those outside the District as well as the reasons for installing and constructing such improvements, it is evident that the improvements are solely the result of developing properties within the District and the ongoing maintenance and operation of these improvements will directly affect the properties within the District. Although the improvements include public areas, easements, right-of-ways and other amenities available or visible to the public at large, the construction and installation of these improvements were only necessary for the development of properties within the District and were not required nor necessarily desired by any properties or developments outside the District boundary and any public access or use of the improvements by others is incidental. Therefore, it has been determined that the improvements and the ongoing maintenance, servicing and operation of those improvements provide no measurable general benefit to properties outside the District or to the public at large, but clearly provide distinct and special benefits to properties within the District.

5.3 Assessment Methodology

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

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 Article XIID Section 4, 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 within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

To identify and determine the special benefit to be received by each parcel and their proportionate share of the improvement costs it is necessary to consider the entire scope of the planned improvements as well as individual property development within the District. Upon review of the proposed improvements it has been determined that each of the residential parcels within the District receives special benefits from the improvements to be funded by annual assessments and based on the planned property development a single zone of benefit is appropriate for the allocation of the assessments and proportional benefit.

5.3.1 EQUIVALENT BENEFIT UNITS:

To assess benefits equitably it is necessary to relate each property's proportional special benefits to the special benefits of the other properties within the District. The method of apportionment established for most districts formed under the 1972 Act utilizes a weighted method of apportionment known as an Equivalent Benefit Unit methodology that uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Benefit Unit (EBU) and the other land uses are converted to a weighted EBU based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

Although the Equivalent Benefit Unit method of apportioning special benefit is most commonly used and applied to districts that have a wide range of land use classifications (residential and non-residential use), this District is comprised of only residential properties and the following apportionment analysis of special benefit addresses only residential land uses. Not all land use types described in the following are necessarily applicable to the development of properties within this District, but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the District.

5.3.2 EBU APPLICATION BY LAND USE:

- (1) Single-family Residential** — This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.00 EBU per lot or parcel. This is the base value that the other properties are compared and weighted against regarding special benefit (i.e. Equivalent Benefit Unit "EBU").
- (2) Multi-family Residential** — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. (This land use typically includes apartments, duplexes, triplex etc., but does not generally include condominiums, town-homes or

mobile home parks). Based on average population densities and size of the structure as compared to a typical single-family residential unit, multi-family residential parcels shall be proportionately assessed for the parcel's total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single-family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single-family residence (Sample Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition). These various studies indicate that most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by this District, an appropriate allocation of special benefit for multi-family residential properties as compared to a single-family residential is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 50 units; 0.50 EBU per unit for units 51 through 100; and 0.25 EBU per unit for remaining units.

- (3) Condominium/Town-home Units** — Condominiums and town-homes tend to share attributes of both single-family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single-family residential properties, these properties are not usually considered rental property and generally, the County assigns each unit a separate APN or assessment number. However, condominiums and town-homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.75 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to an APN. (There is no adjustment for parcels with more than five units).
- (4) Planned-Residential Development** — This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the District. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a single APN). Each parcel that is part of the approved tract map shall be assessed proportionately for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single-family, condominium, multi-family units to be developed).
- (5) Vacant Residential** — This land use is defined as property currently zoned for residential development, but a tentative or final tract map for the property has not yet been approved. Based

upon the opinions of professional appraisers who appraise market property values for real estate in California, the land value portion of a property typically ranges from 20 to 30 percent of the total value of a developed residential property (the average is about 25 percent). Although the assessed value of an individual property is not a direct reflection of the property's special benefit, this general correlation between land value and structure value does provide a reasonable basis for apportioning special benefit for vacant residential properties. Utilizing this twenty-five percent (25%) apportionment and the number of single-family residential units typically developed per acre of land (an average of 4 residential units per acre) an Equivalent Benefit Unit of 1.00 EBU per acre (4 units per acre x 25%) is derived and presents an appropriate apportionment of special benefit for vacant residential properties. Recognizing that the full and timely utilization of vacant property is reduced as the size of the property increases, it has been determined that the maximum EBU assigned to a vacant residential parcel shall not exceed 25.00 EBU (parcels in excess of 25 acres are assigned 25.00 EBU). Parcels less than one acre, shall be assigned a minimum of 1.00 EBU (similar to a vacant lot within a residential tract).

(6) Exempt Parcels — This land use identifies properties that are not assessed and are assigned 0.00 EBU. 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 including open space areas, utility rights-of-way, greenbelts, parkways, parks or other publicly owned properties that are part of the District improvements or may provide other benefits to private properties within the District;
- Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use;

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment, but shall be reviewed annually by the assessment engineer to confirm the parcels' current development status. Government owned properties or public properties are not necessarily exempt properties and shall be subject to special benefit assessment unless it qualifies for an exempt status.

(7) Special Cases — In many districts where multiple land use classifications are involved, there are usually one or more properties for which the standard land use classifications do not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a Vacant Residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel.

The following table provides a summary of land use classifications and the Equivalent Benefit Unit calculations previously outlined.

Property Type	Equivalent Benefit Units	Multiplier
Single-family Residential	1.00	Per Unit/Lot/Parcel
Multi-family Residential	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Condominium/Townhome Units	0.75	Per Unit
Planned Residential Development	1.00	Per Planned SF Residential Lot
	0.75	Per Planned Condominium
	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Vacant Residential Land	1.00	Per Acre
Exempt Parcels	0.00	Per Parcel

The following formula is used to calculate each parcel's EBU (proportional benefit).

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of Equivalent Benefit Units (EBU's) is the sum of the individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of the parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

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

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

5.4 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 (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, the notice and assessment ballots presented to the property owners for approval included a maximum assessment amount for Fiscal Year 2005/2006 (initial maximum assessment), identification of the corresponding maximum assessment rate and a summary of the Assessment Range Formula described herein.

The Assessment Range Formula for this District shall be applied to future assessments and is generally defined:

- If the proposed annual assessment (levy per EBU) for the upcoming fiscal year is less than or equal to the adjusted Maximum Assessment Rate, then the proposed annual assessment is not considered an increased assessment.
- The Maximum Assessment Rate is equal to the (Initial) Maximum Assessment Rate established for Fiscal Year 2005/2006 adjusted annually by the greater of, three percent (3%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-Hayward Area from February to February. The Maximum Assessment rate was increased by 3.00% for Fiscal Year 2021/22.

Beginning with Fiscal Year 2006/2007 and each fiscal year thereafter, the Maximum Assessment Rate has been recalculated and a new Maximum Assessment Rate is established for the fiscal year utilizing the Assessment Range Formula described above. The Maximum Assessment Rate is calculated independent of the District's annual budget and proposed assessment. The annual percentage change in CPI is based on available data provided by the U.S. Department of Labor; Bureau of Labor Statistics at the time the annual Report is prepared. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living. In January 2018, BLS introduced a new geographic area sample for the CPI. As part of the change the index for this area was renamed from San Francisco-Oakland-San Jose to San Francisco-Oakland-Hayward. The metropolitan area is comprised of Alameda, Contra Costa, Marin, San Francisco, San Mateo Counties in the State of California. This CPI will be used going forward.

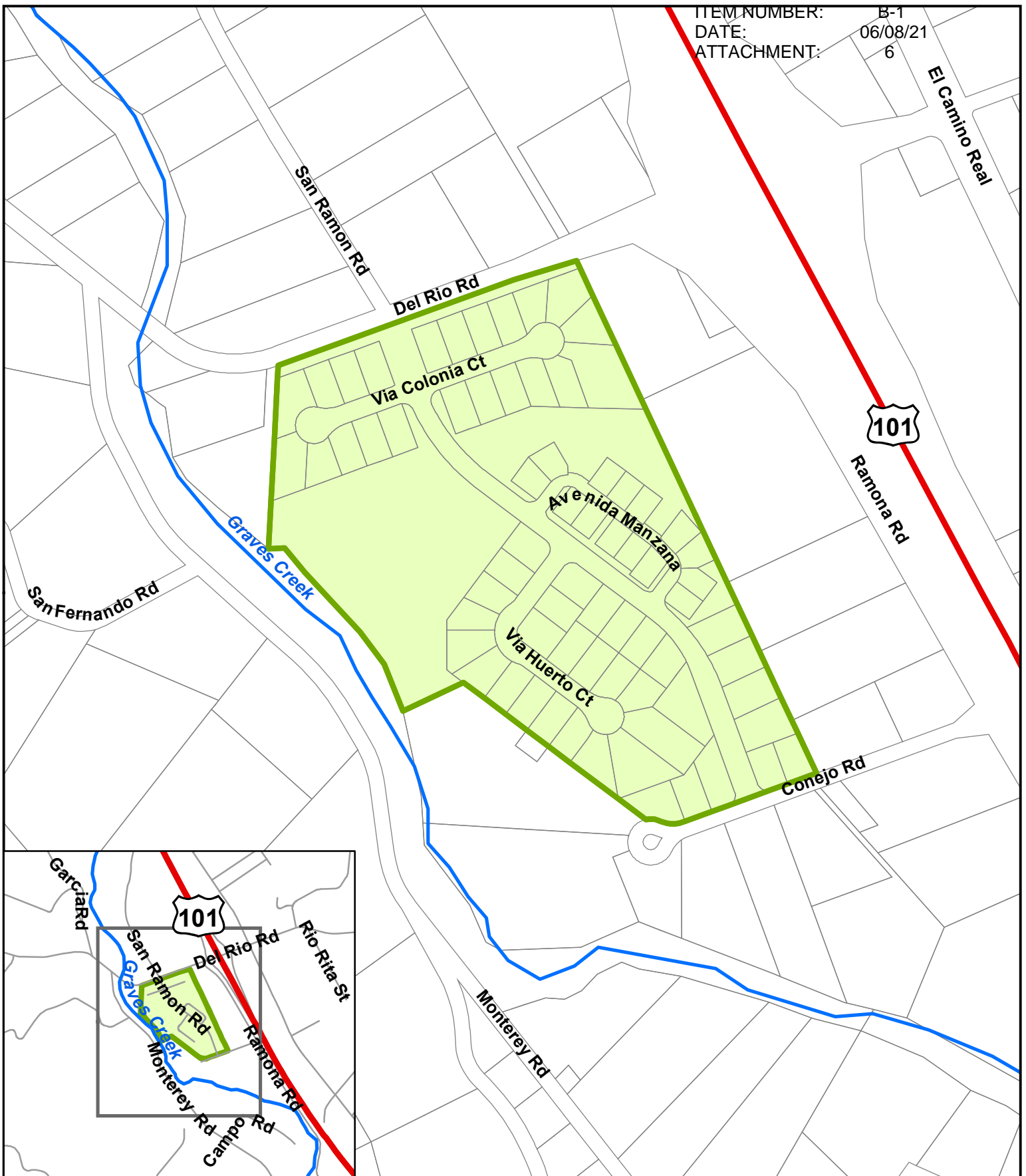
Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the method of apportionment that increase the proportional special benefit assigned to a particular land use classification would be considered an increased assessment. Conversely, reductions in the proportional special benefit assigned to a land use classifications are permitted. Changes in land use or size of an individual property resulting in an assessment increase, is not considered an increased assessment.

To impose a new or increased assessment other than the annual inflationary adjustment provided by the preceding Assessment Range Formula, the City must comply with the provisions of Article XIID Section 4c, that requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve a proposed new or increased assessment before such an assessment may be imposed.

6. ASSESSMENT DIAGRAM

The parcels within the Landscaping and Lighting District No. 01 (Apple Valley) consist of the lots, parcels and subdivisions of land located in the planned residential development known as Apple Valley, Tract 2495. The District covers approximately twenty-eight acres (27.71 acres) in the northern portion of the City of Atascadero.

The following map is based on the District Diagram, the San Luis Obispo County Assessor's Maps and the San Luis Obispo County Assessor's information and identifies the parcels of land within the proposed District, as the same existed at the time the District was formed. The combination of the District Diagram on file with the City Clerk and the Assessment Roll contained in this Report constitute the District Assessment Diagram.



CITY OF ATASCADERO

APPLE VALLEY

Street and Storm Drain Maintenance District No. 1

Landscaping and Lighting District No. 1



7. ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District is based on the Assessment Diagram presented herein and is based on available parcel maps and property data from the San Luis Obispo County Assessor's Office at the time the Engineer's Report was prepared. A listing of the lots and parcels to be assessed within this District along with the assessment amounts is provided herein.

Non-assessable lots or parcels may include, but are not limited to public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas, right-of-ways, common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has little or no value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

The following is a list of the parcels and assessment amounts for each of the parcels within the District as determined by the assessment rates and method of apportionment described herein.

ITEM NUMBER: B-1
DATE: 06/08/21
ATTACHMENT: 6

City of Atascadero

Landscaping & Lighting Maint Dist No. 1

Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-192-001	\$900.00	\$1,774.95
049-192-002	900.00	1,774.95
049-192-003	900.00	1,774.95
049-192-004	900.00	1,774.95
049-192-005	900.00	1,774.95
049-192-006	900.00	1,774.95
049-192-007	900.00	1,774.95
049-192-008	900.00	1,774.95
049-192-009	900.00	1,774.95
049-192-010	900.00	1,774.95
049-192-011	900.00	1,774.95
049-192-012	900.00	1,774.95
049-192-013	900.00	1,774.95
049-192-014	900.00	1,774.95
049-192-015	900.00	1,774.95
049-192-016	900.00	1,774.95
049-192-017	900.00	1,774.95
049-192-018	900.00	1,774.95
049-192-019	900.00	1,774.95
049-192-020	900.00	1,774.95
049-192-021	900.00	1,774.95
049-192-022	900.00	1,774.95
049-193-001	900.00	1,774.95
049-193-002	900.00	1,774.95
049-193-003	900.00	1,774.95
049-193-004	900.00	1,774.95
049-193-005	900.00	1,774.95
049-193-006	900.00	1,774.95
049-193-007	900.00	1,774.95
049-193-008	900.00	1,774.95
049-193-010	900.00	1,774.95
049-193-011	900.00	1,774.95
049-193-012	900.00	1,774.95
049-193-013	900.00	1,774.95
049-193-014	900.00	1,774.95
049-193-015	900.00	1,774.95
049-193-016	900.00	1,774.95
049-193-017	900.00	1,774.95
049-193-018	900.00	1,774.95
049-193-019	900.00	1,774.95
049-193-020	900.00	1,774.95
049-193-021	900.00	1,774.95
049-193-022	900.00	1,774.95
049-193-023	900.00	1,774.95
049-193-024	900.00	1,774.95
049-193-025	900.00	1,774.95
049-193-026	900.00	1,774.95
049-193-027	900.00	1,774.95
049-193-028	900.00	1,774.95
049-193-029	900.00	1,774.95

ITEM NUMBER: B-1
DATE: 06/08/21
ATTACHMENT: 6

City of Atascadero

Landscaping & Lighting Maint Dist No. 1

Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-193-030	900.00	1,774.95
049-193-031	900.00	1,774.95
049-193-032	900.00	1,774.95
049-193-033	900.00	1,774.95
049-193-034	900.00	1,774.95
049-193-035	900.00	1,774.95
049-193-036	900.00	1,774.95
049-193-037	900.00	1,774.95
049-193-038	900.00	1,774.95
049-193-039	900.00	1,774.95
049-193-040	900.00	1,774.95
049-193-041	900.00	1,774.95
049-193-042	900.00	1,774.95
049-193-043	900.00	1,774.95
049-193-044	900.00	1,774.95
049-193-045	900.00	1,774.95
049-193-046	900.00	1,774.95
049-193-047	900.00	1,774.95
049-193-048	900.00	1,774.95
049-193-051	900.00	1,774.95
70 Accounts	\$63,000.00	\$124,246.85

Slight variances may occur due to rounding



Atascadero City Council

Staff Report – Administrative Services Department

De Anza Estates Assessment Districts

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution A approving the final Engineer's Report regarding the Street and Storm Drain Maintenance District No. 03 (De Anza Estates), and the levy and collection of annual assessments related thereto for fiscal year 2021/2022.
2. Adopt Draft Resolution B ordering the levy and collection of assessments for fiscal year 2021/2022 for Street and Storm Drain Maintenance District No. 03 (De Anza Estates).
3. Adopt Draft Resolution C approving the final Engineer's Report regarding the Landscaping and Lighting District No. 03 (De Anza Estates), and the levy and collection of annual assessments related thereto in fiscal year 2021/2022.
4. Adopt Draft Resolution D ordering the levy and collection of assessments for fiscal year 2021/2022 for Landscaping and Lighting District No. 03 (De Anza Estates).

DISCUSSION:

The City Council formed and began assessing Street and Storm Drain Maintenance District No.03 (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 Landscaping and Lighting Maintenance District No.03 (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 landscaping and lighting improvements within the De Anza Estates subdivision.

NBS, 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 the Council 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 2021/2022 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 3.0% (CPI) this year for both districts.

The City has historically held an annual informational meeting with District residents, to review and gather input regarding the upcoming year's assessment. Due to a combination of factors including the new social distancing requirements due to the COVID-19, City Council's stated direction for essentialism in order to better prioritize and streamline staff's time and efforts, keeping down administration costs in the Districts, and dwindling community attendance at these meetings, the annual meeting was not held. An Assessment Information Notice was mailed to all property owners on April 23, 2021. The notice provided City staff contact information for questions and comments, dates for the related Council meetings, information on how to participate in the meeting, the proposed and current levies for both districts, and pages related to the districts from the City's June 30, 2020, audited financial statements.

Staff has reviewed the short and long-term costs to maintain the districts and recommends the total cost of both districts remains flat when compared to the prior year. The Landscaping and Lighting District levy is about 17% of the allowable maximum annual assessment and the Street and Storm Drain District is about 68% of the allowable maximum annual assessment.

District	Amount Per EBU Assessment Fiscal Year 2020-21	Amount Per EBU Proposed Assessment Fiscal Year 2021-22
Atascadero Street and Storm Drain Maintenance District No. 03 De Anza Estates - Senior Housing	\$ 342.48	\$ 342.48
Atascadero Street and Storm Drain Maintenance District No. 03 De Anza Estates - Single Family Residential	\$ 681.50	\$ 681.50
Atascadero Landscaping and Lighting Maintenance District No. 03 De Anza Estates	\$ 250.00	\$ 250.00

FISCAL IMPACT:

Annual assessments for 2021/2022 will total \$30,562 for road/drainage system maintenance and \$15,875 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in De Anza Estates. The City General Fund will contribute \$1,400 for the fiscal year 2021/2022 for half of the maintenance costs of the trails and open space.

ATTACHMENTS:

1. Draft Resolution A
2. Draft Resolution B
3. Engineer's Annual Levy Report - Street and Storm Drain Maintenance District No. 03 (De Anza Estates)
4. Draft Resolution C
5. Draft Resolution D
6. Engineer's Annual Levy Report - Landscaping and Lighting District No. 03 (De Anza Estates)

DRAFT RESOLUTION A

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, APPROVING THE FINAL ENGINEER'S
REPORT REGARDING THE STREET AND STORM DRAIN
MAINTENANCE DISTRICT NO. 03 (DE ANZA ESTATES), AND THE
LEVY AND COLLECTION OF ANNUAL ASSESSMENTS RELATED
THERE TO FOR FISCAL YEAR 2021/2022**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as "City Council"), pursuant to the provisions the Benefit Assessment Act of 1982, Chapter 6.4 of the California Government Code, beginning with Section 54703 (hereafter referred to as the "Act"), did by previous Resolution order the Engineer, NBS, to prepare and file a report in accordance with the Act in connection with Street and Storm Drain Maintenance District No. 03 (De Anza Estates) (hereafter referred to as the "District") and the proposed levy and collection of assessments related thereto for fiscal year 2021/2022, said fiscal year starting July 1, 2021 and ending June 30, 2022; and

WHEREAS, the Engineer has prepared and filed with the City Clerk of the City of Atascadero and the City Clerk has presented to the City Council such report entitled "Engineer's Annual Levy Report for Street and Storm Drain Maintenance District No. 03 (De Anza Estates), fiscal year 2021/2022" (hereafter referred to as "Engineer's Report") in accordance with the Act; and

WHEREAS, the City Council has carefully examined and reviewed the Engineer's Report as presented, and is satisfied with the items and documents as set forth therein, and finds that the levy of assessments has been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented, consists of the following:

- a) Plans and specifications that describe the District and Improvements.
- b) Method of Apportionment that outlines the special benefit conferred on properties within the District from the improvements and the calculations used to establish each parcel's proportional special benefit assessment.
- c) The Budget that outlines the costs and expenses to service, and maintain the improvements including incidental expenses to operate the District.
- d) An Assessment Diagram that identifies the boundaries of the District.
- e) An Assessment Roll containing each of the Assessor Parcel Numbers that comprise the District and the proportional maximum assessment and the assessment for fiscal year 2021/2022.

SECTION 3. The Engineer's Report as presented, is hereby approved, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the adoption and approval of the Engineer's Report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

DRAFT RESOLUTION B

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND
COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2021/2022 FOR
STREET AND STORM DRAIN MAINTENANCE DISTRICT NO. 03
(DE ANZA ESTATES)**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as City Council) has by previous Resolutions initiated proceedings to levy special benefit assessments against parcels of land within Street and Storm Drain Maintenance District No. 03 (De Anza Estates) (hereafter referred to as the “District”) for the fiscal year commencing July 1, 2021 and ending June 30, 2022; pursuant to the provisions of the Benefit Assessment Act of 1982, Chapter 6.4 of the California Government Code, beginning with Section 54703 (hereafter referred to as the “Act”) to pay the costs and expenses of operation, maintenance, repair and servicing of local street right-of-way improvements and storm drain facilities related thereto; and

WHEREAS, the Engineer selected by the City Council has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council an Engineer’s Report in connection with the proposed levy of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution adopt and approve said Engineer’s Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2021 and ending June 30, 2022, to pay the costs and expenses of operation, maintenance, repair and servicing of local street right-of-way improvements and storm drain facilities related thereto; and

WHEREAS, the City Council conducted in May 2005 a property owner protest ballot proceeding for the District assessments proposed to be levied and majority protest of the assessments described in the Engineer’s Report did not exist pursuant to the provisions of the California State Constitution Article XIID.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving the Engineer’s Report prepared in connection therewith; the levy and collection of assessments, and considered the oral and written statements, protests and communications made or filed by interested persons.

SECTION 2. Based upon its review of the Engineer’s Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

- a) The land within District will receive special benefit by the operation, maintenance and servicing of improvements to be provided by the District.
- b) The District includes the lands receiving such special benefit.

c) The net amount to be assessed upon the lands within the District is in accordance and apportioned by a formula and method which fairly distributes the net amount among the eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 3. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the improvements that may include, but is not limited to local street right-of-way improvements and storm drain facilities within the District and the appurtenant facilities related thereto.

SECTION 4. The maintenance, operation and servicing of improvements shall be performed pursuant to the Act and the County Auditor of San Luis Obispo County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City.

SECTION 5. The City shall deposit the money representing assessments collected by the County for the District to the credit of a fund for the Street and Storm Drain Maintenance District No. 03 (De Anza Estates), and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in the Engineers Report and generally described in Section 3 of this Resolution.

SECTION 6. The adoption of this Resolution constitutes the establishment of the maximum assessment rate described in the Engineer's Report and the levy of assessments for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 7. The City Clerk or their designee is hereby authorized and directed to file the levy with the County Auditor, per Section 54718 of the Act, upon adoption of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

ITEM NUMBER:
DATE:
ATTACHMENT:

B-2
06/08/21
2

APPROVED AS TO FORM:

Brian Pierik, City Attorney

CITY OF ATASCADERO

Fiscal Year 2021/22 Engineer's Report For:

**Street and Storm Drain Maintenance
District No. 03 (De Anza Estates)**

May 2021

Prepared by:



CITY OF ATASCADERO
Street and Storm Drain Maintenance District No. 03
(De Anza Estates)

6500 Palma Avenue
Atascadero, CA 93422
Phone – (805) 461-5000
Fax – (805) 461-7612

CITY COUNCIL

Heather Moreno, Mayor

Heather Newsom, Mayor Pro Tem

Charles Bourbeau, Council Member

Mark Dariz, Council Member

Susan Funk, Council Member

AGENCY STAFF

Rachelle Rickard, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Danielle Wood, Client Services Director

Adina McCargo, Project Manager

Miranda Ray, Administrator

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1. ENGINEER'S LETTER

WHEREAS, on August 9, 2005 by Resolution No. 2005-071, the City Council of the City of Atascadero (the "City"), State of California, in accordance with and pursuant to the provisions of the Benefit Assessment Act of 1982, being Chapter 6.4 of the California Government Code, commencing with Section 54703 (hereafter referred to as the "1982 Act"), and in compliance with the substantive and procedural requirements of the California State Constitution Article XIIIID (hereafter referred to as the "California Constitution"), established the City of Atascadero Street and Storm Drain Maintenance District No. 03 (De Anza Estates) (the "District"); and

WHEREAS, on May 11, 2021, the City Council, adopted its Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of an Engineer's Report for the District; and

WHEREAS, the Resolution Initiating Proceedings directed NBS to prepare and file a report describing the general nature, location, and extent of the improvements to be maintained; an estimate of the costs of the maintenance, operations, and servicing of the improvements for the District for the referenced fiscal year; a diagram for the District, showing the area and properties to be assessed; and an assessment of the estimated costs of the administration, maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the District in proportion to the special benefit received. The following table summarizes the proposed assessment for Fiscal Year 2021/22:

FY 2021/22 Summary of Assessment

Description	Zone A - Amount	Zone B - Amount	Total Amount
Estimated Annual Costs	\$7,761	\$13,839	\$21,600
Capital Reserve Collection/(Uses)	14,939	15,873	30,812
Levy Adjustments	(9,857)	(11,993)	(21,850)
Balance to Levy	\$12,843	\$17,719	\$30,562
Fiscal Year 2021/22 Maximum Rate ⁽¹⁾	\$806.47	\$997.06	
Fiscal Year 2021/22 Proposed Applied Rate ⁽¹⁾	\$342.48	\$681.50	

(1) Rates above are per Equivalent Benefit Unit.

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information, and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed, and levied in accordance with the assessment methodology adopted, approved, and ordered by the City Council of the City of Atascadero and the 1982 Act.

City Engineer

2. EXECUTIVE SUMMARY

Pursuant to the provisions of the *Benefit Assessment Act of 1982, being Chapter 6.4 of the California Government Code, commencing with Section 54703* (hereafter referred to as the “1982 Act”), and in compliance with the substantive and procedural requirements of the *California State Constitution Article XIID* (hereafter referred to as the “California Constitution”), the City Council of the City of Atascadero, County of San Luis Obispo, State of California (hereafter referred to as “City”), proposed to form and levy special benefit assessments for the district designated as:

Street and Storm Drain Maintenance District No. 03 (De Anza Estates)

(hereafter referred to as the “District”), which includes the lots and parcels of land within the residential subdivision known as De Anza Estates, Tract 2498 within the City limits of the City. This Engineer’s Report (hereafter referred to as the “Report”) has been prepared in connection with the levy and collection of annual assessments related thereto for Fiscal Year 2021/22.

The City Council formed the District and provided for the levy and collection of annual assessments on the County tax rolls to provide ongoing funding for the costs and expenses required to service and maintain the street and storm drain improvements and facilities associated with and resulting from the development of properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1982 Act and the substantive and procedural provisions of the California Constitution.

This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements and facilities. The annual assessments described herein will provide a funding source for the continued operation and maintenance of streets, storm drain system and appurtenant facilities installed in connection with the development of properties within the District.

The improvements and assessments described in this Report are based on the development of properties within the District and represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the streets and storm drain system that provides special benefits to properties within the District. The structure of the District (organization), the improvements, the method of apportionment, and assessments described herein are based on current development plans and specifications for Tract 2498; and by reference these plans and specifications are made part of this Report.

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

As part of this District’s formation, the City conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the *California Constitution, Article XIID Section 4*. In conjunction with this ballot proceeding, the City Council conducted a noticed public hearing to consider public testimonies, comments and written protests regarding the formation of the District and

levy of assessments. Upon conclusion of the public hearing, property owner protest ballots received were opened and tabulated to determine whether majority protest existed (ballots were weighted based on assessment amounts), and by resolution the City Council confirmed the results of the ballot tabulation. The tabulation of the ballots indicated that majority protest did not exist for the proposed assessments and the assessment range formula presented and described herein; therefore, the City Council approved the Report (as submitted or amended), ordered the formation of the District, and approved the levy and collection of assessments. The assessments for Fiscal Year 2005/2006 were submitted to the San Luis Obispo County Auditor/Controller for inclusion on the property tax roll for each parcel.

Each subsequent fiscal year, a Report shall be prepared and presented to the City Council describing any changes to the improvements, proposed services, the annual budget or assessments for that fiscal year and the City Council may hold a noticed public hearing regarding these matters prior to approving and ordering the proposed levy of assessments. If the proposed assessments for the District exceed the maximum assessment described herein (as approved by the property owners), the new or increased assessment must be confirmed through another property owner protest ballot proceeding before such an assessment may be imposed. It should be noted that an increased assessment to an individual property resulting from changes in development or land use does not constitute an increased assessment.

3. PLANS AND SPECIFICATIONS

3.1 Benefiting Properties within the District

The territory within the District consists of the lots, parcels and subdivisions of land within the proposed residential subdivision known as the De Anza Estates, Tract 2498, which encompasses an area of land totaling approximately seventy-six acres (75.84 acres).

This subdivision includes twenty-six (26) Single-Family Residential Units and sixty (60) Modified Housing/Senior Housing Units. The subdivision is situated in the northern portion of the City of Atascadero northeast of Highway 101 and is generally located:

- At the North end of El Camino Real;
- North and East of U.S. HWY 101; and,
- South and West of the Salinas River.

3.2 Funding Authorized by the 1982 Act

As generally defined by the Benefit Assessment Act of 1982 and applicable to this District, the City may impose a benefit assessment to finance the maintenance and operation costs of the following services:

- Drainage and Flood Control;
- Streets and Roads.

In addition to imposing a benefit assessment for the annual maintenance and operation of the District improvements, the City may also authorize an assessment or utilize existing assessment revenues to finance the installation, construction or replacement of drainage and flood control facilities as well as the street and road improvements (with some limitations). While such activities are permitted under the 1982 Act, the budget and assessments for this District only provide for normal maintenance and operation of the improvements. Since most major rehabilitation/construction projects result from unforeseen damages, the extent and cost of such projects are not easily predicted and to accumulate funds as part of the normal annual assessments would not be reasonable. If such funding becomes necessary, the City may present a new or increased assessment to the property owners to support the projects.

3.3 Description of Improvements and Services

The purpose of this District is to fund the activities necessary to maintain and service the local streets and the drainage and flood control systems constructed and installed in connection with development of properties within the residential subdivision known as (De Anza Estates), Tract 2498 pursuant to approved development plans and agreements. The improvements may consist of all or a portion of the public streets, drainage and flood control facilities associated with Tract 2498 and the maintenance of these improvements may include but are not limited to the materials, equipment, labor, and incidental expenses deemed necessary to keep these improvements in satisfactory condition. The maintenance of the improvements and related activities shall be funded entirely or partially through the District assessments. The District improvements and services are generally described as:

- Street maintenance that may include but is not limited to the repair and servicing of street surfaces, curbs, gutters, bridges, driveway approaches, sidewalks, barricades, delineation, signage or other facilities within the public street right-of-ways installed in connection with the development of properties in Tract 2498 and that have been dedicated to the City;
- Storm drain and flood control maintenance that may include but is not limited to inspection, repair and servicing of drainage basins, inlets, catch basins, manholes, outlets, drywells, pumps, filters and storm drain pipes installed in connection with the development of properties of Tract 2498 as well as any off-site improvements and facilities directly associated with the aforementioned infrastructure that is deemed necessary to service or protect the properties including waste water treatment;
- The appurtenant, equipment, materials and service contracts related to the aforementioned improvements and facilities;
- Specifically excluded are those improvements or facilities: located on private property or common areas; that may be provided or maintained by an agency other than the City; that may be provided by another assessment or tax levied by the City; or that may be provided and maintained by a Homeowner's Association or similar entity.

Detailed maps and descriptions of the location and extent of the specific improvements to be maintained by the District are on file in the Office of Public Works and by reference are made part of this Report. Those portions of the District improvements that may be identified as general benefit or will be funded in whole or in part by other revenue sources as part of the approved development agreements, will not be included as part of the District assessments. The net annual cost to provide and maintain the improvements determined to be of special benefit shall be allocated to each property in proportion to the special benefits received.

3.3.1 STREET MAINTENANCE

The street maintenance program may include, but is not limited to: the repair of potholes, cracks or other failures in the asphalt surface; repair or replacement of curbs, gutters, driveway approaches and sidewalks as required as part of maintaining the streets; repair or installation of street signs, barricades, fencing or other delineation; mechanized sweeping and cleaning of the streets and gutters; slurry sealing, overlays and re-striping of the street surfaces. The specific activities and timing of various street and road maintenance services shall be determined by the City's Public Works Department as necessary to extend the life of the streets or to improve traffic circulation and safety as available funding permits. Specifically, the street improvements for this District are identified as:

- Approximately 66,000 square feet of asphalt street surface located on the interior streets of the development identified as El Camino Real north of the Upper Bridge Crossing; Ferrocarril Road from the Graves Creek Bridge northeast to the end of Tract 2498; and De Anza Court.
- Approximately 5,700 linear feet of curb and gutter along El Camino Real, Ferrocarril Road, and De Anza Court, 26 driveway approaches and various street signs within the District;
- Two bridges identified as the Upper Bridge Crossing (located on El Camino Real at the entryway to the tract) and the Graves Creek Bridge (located on Ferrocarril Road located at the entryway to the senior housing development);

- Specifically not included as part of the street maintenance program are the costs associated with major replacements or reconstruction. Although the District assessments will provide funding for regular maintenance and servicing of the improvements that will extend the useful life of the street improvements, the assessments are not intended to fund major replacements or reconstruction of the street surfaces or adjacent improvements such as curbs, gutters or driveway approaches. The costs of extensive replacement or reconstruction activities such as grinding and resurfacing of the asphalt; and replacement of curbs, gutters driveway approaches and sidewalks is significantly more than the amount that can reasonably be collected annually under the provisions of the 1982 Act. When such repairs or activities are deemed necessary, the City will consider various financing options including new or increased assessments for property owner approval. Also not included as part of the street maintenance program are the street improvements within the senior housing development (street improvements southwest of the Graves Creek Bridge). The street improvements and facilities within the senior housing development shall be maintained and funded through a Homeowner's Association or similar entity.

The Public Works Department shall authorize the operational activities and maintenance of the public street and right-of-way improvements, facilities and services that may include, but are not limited to:

- Regular street sweeping services necessary to control dirt and debris on street surfaces and gutters;
- Annual inspection of street surface and repair of potholes and surface cracks as needed;
- Periodic slurry or overly of street surfaces and driveway approaches (typically one or the other once every five years);
- Periodic re-striping of traffic lanes, bike lanes, street parking areas, crosswalks and intersections (typically in conjunction with slurry or overly activities);
- Graffiti abatement of public improvements within the street right-of-ways that are maintained by the District including but not limited to sandblasting, repainting and repair of fences, walls, barricades, sidewalks and signage as needed;
- Annual inspection and periodic repair or replacement of decorative street- pavers as needed;
- Annual inspection and minor repairs of curbs, gutters, driveway approaches and sidewalks including partial segment replacements as needed to ensure pedestrian and vehicle safety or the integrity of the street;
- Annual inspection and periodic repair or rehabilitation of street signs and traffic control devices;
- Annual inspection and repair of barricades, street-fencing, delineation or retaining walls within the street right-of-ways as needed.

A portion of the services described above are not performed on an annual basis but rather on a periodic basis, such as slurry sealing or overlaying the asphalt streets, and the funds necessary for these activities are collected in installments as part of the annual assessments. The monies collected each year for these services will be accumulated in a special fund of the District (Reserve Fund or Capital Improvement Fund). The monies accumulated for these activities shall be spent when sufficient funds have been accumulated to perform the services deemed necessary by the City (approximately every five years). This process of accumulating funds (installments) shall continue until such time the District is dissolved; or the City determines that such funding procedures require modification. Changes in the process of accumulating

funds that would result in an increase to the annual assessment rate must be presented to the property owners for approval prior to imposing such an increase.

3.3.2 STORM DRAIN AND FLOOD CONTROL MAINTENANCE

The storm drain and flood control system associated with the District may include but is not limited to: drainage basins and bio-filters; channel ways; storm drain inlets, catch basins, manholes, outlets; drywells, pumps, filters and pipes. The storm drain system to be maintained primarily involves on-site facilities (within the District boundaries) but may also include off-site improvements such as water treatment equipment, facilities or services mandated or required by Federal, State or County regulations for water pollution control. The annual assessments for this District are intended to support a storm drain and flood control maintenance program that will adequately regulate and control storm water runoff resulting from the development of properties within the District. This maintenance program may include but is not limited to: inspection and documentation of the system; cleaning, servicing or repair of the facilities and equipment; and the partial replacement or rehabilitation of equipment and facilities. The storm drain and flood control system includes but is not limited to:

- A single drainage basin of approximately 9,000 square feet;
- A total of approximately three (3) inlets, catch basins, manholes or outlets located within the single-family residential portion of Tract 2498;
- Approximately 200 linear feet of 24 inch storm drain pipe.

The Public Works Department shall authorize and schedule the operational activities and maintenance of the storm drain and storm water pollution treatment infrastructure, facilities and services that may include, but are not limited to:

- Cleaning of storm drain inlets, catch basins, manholes and pipes as needed;
- Stencil maintenance and documentation of facilities as required by Federal, State or County regulations;
- Cleaning and landscape maintenance of the drainage basins, bio-filter areas or channel ways as needed;
- Debris removal and pest control in and around the storm drain facilities as needed;
- Minor repairs and maintenance of the storm drain inlets, catch basins and outlets as needed;
- Street sweeping services necessary to control debris and water flow for the storm drain system; and,
- The operational costs related to NPDES compliance requirements.

A portion of the services described above are not performed on an annual basis but rather on a periodic basis such as minor repairs to the storm drain inlets, catch basins and outlets, and the funds necessary for these activities are collected in installments as part of the annual assessments. The monies collected each year for these services will be accumulated in a special fund of the District (Reserve Fund or Capital Improvement Fund). The monies accumulated for these activities shall be spent as needed to perform the services deemed necessary by the City. This process of accumulating funds (installments) shall continue until such time the District is dissolved; or the City determines that such funding procedures require modification. Changes in the process of accumulating funds that would result in an increase to the

annual assessment rate must be presented to the property owners for approval prior to imposing such an increase.

4. ESTIMATE OF COSTS

Budget	Zone A (Senior Housing)	Zone B (SF-Residential)	2021/2022 Assessment
DIRECT COSTS			
Streets, Roads & Storm Drain Improvements			
Drainage Maintenance Services	\$0	\$3,500	\$3,500
Street Sweeping Services	640	960	1,600
Inspection & Operational Services - Roads, Drainage	1,616	2,424	4,040
Street Maintenance	2,900	4,350	7,250
Total Annual Direct Costs	\$5,156	\$11,234	\$16,390
ADMINISTRATION EXPENSES			
City Annual Administration	\$800	\$800	\$1,600
Engineer's Report & Services	1,650	1,650	3,300
Public Noticing	155	155	310
Total Administration Costs	\$2,605	\$2,605	\$5,210
TOTAL DIRECT & ADMINISTRATION COSTS	\$7,761	\$13,839	\$21,600
CAPITAL RESERVE COLLECTIONS/(USES)			
Collection for Street Surface Activities	\$6,445	\$9,667	\$16,111
Collection for Street Re-striping	34	52	86
Collection for Repair Activities: Curbs, Gutters, Approaches & Sidewalks	116	174	290
Collection for Debris Removal	0	307	307
Collection for Bridges	8,344	5,562	13,906
Collection for Storm Drain Infrastructure	0	111	111
Total Capital Reserve Collections/(Uses)	\$14,939	\$15,873	\$30,812
LEVY ADJUSTMENTS			
Interest Income - Improvement Fund	(\$3,998)	(\$5,516)	(\$9,514)
Interest Income - Operating Reserve Fund	(116)	(160)	(276)
Reserve Fund Collection (Use)	(5,743)	(6,317)	(12,060)
Total Levy Adjustments	(\$9,857)	(\$11,993)	(\$21,850)
BALANCE TO LEVY	\$12,843	\$17,719	\$30,562
DISTRICT STATISTICS			
Total Parcels	61	28	89
Parcels Levied	60	26	86
Total EBU ⁽¹⁾	37.5	26	63.5
Proposed Levy per EBU	\$342.48	\$681.50	
Maximum Levy per EBU	\$806.47	\$997.06	
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance	\$3,660	\$5,050	\$8,710
Operational Reserve Interest	116	160	\$276
Surplus Transfer from Improvement Fund	11,306	15,598	26,904
Operational Reserve Collection (Use)	(9,857)	(11,993)	(\$21,850)
Ending Operating Reserve Balance	\$5,225	\$8,815	\$14,040
Beginning Improvement Fund Balance	\$198,179	\$273,419	\$471,598
Improvement Fund Interest	3,998	5,516	9,514
Surplus Transfer to Operations Fund	(11,306)	(15,598)	(26,904)
Improvement Fund Collection/(Use)	12,948	17,864	30,812
Estimated Ending Improvement Fund Balance	\$203,819	\$281,201	\$485,020

⁽¹⁾ Levy per EBU rate does not include the County of San Luis Obispo fee of \$2.00 per parcel

5. METHOD OF ASSESSMENT

5.1 General

The 1982 Act permits the establishment of assessment districts by agencies for the purpose of providing for the maintenance, operation and servicing of drainage and flood control improvements as well as streets, roads and appurtenant facilities. The 1982 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The amount of the assessment imposed on any parcel of property shall be related to the benefit to the parcel which will be derived from the provision of the service”.

Furthermore:

“The annual aggregate amount of the assessment shall not exceed the estimated annual cost of providing the service, except that the legislative body may, by resolution, determine that the estimated cost of work authorized ... is greater than can be conveniently raised from a single annual assessment and order that the estimated cost shall be raised by an assessment levied and collected in installments.... The revenue derived from the assessment shall not be used to pay the cost of any service other than the service for which the assessment was levied.”

The method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices in compliance with the provisions of the 1982 Act and the California Constitution. The formulas used for calculating assessments reflects the composition of parcels within the District and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

5.2 Benefit Analysis

Each of the proposed improvements and services, and the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the 1982 Act and the California Constitution. The street and storm drain improvements associated with this District were necessary and essential requirements for the orderly development of the properties within the District to their full potential, consistent with the development plans and applicable portions of the City General Plan. As such the ongoing operation, servicing and maintenance of those improvements would otherwise be the direct financial obligation of each individual property owner. Since each parcel to be assessed within the District could not have been developed in the absence of these improvements and facilities, each parcel has a direct investment in the proper maintenance of the improvements that is over and above any general benefits that may be conferred by such improvements and services.

The ongoing maintenance and servicing of the District improvements is an integral part of the appearance, use and preservation of the properties within the District and such services to be funded by annual assessments confer a particular and distinct special benefit to those parcels. The proper maintenance of streets and appurtenant facilities allows individual parcels to be used to their fullest extent by ensuring the safe and

efficient movement of people and goods to and from the benefiting properties Likewise, the maintenance and servicing of the storm drain system ensures proper water flow and control of excess water during periods of rain, which is essential to preservation and protection of private property. Together the maintenance and servicing of the streets and storm drain system contributes to a specific enhancement of each of the parcels within the District and the absence of adequate maintenance and servicing of the District improvements could eventually have a negative impact on properties within the District.

Although the improvements may include public streets and storm drain facilities that connect to similar facilities outside the District boundaries, it is clear that the construction and installation of these improvements were only necessary for the development of properties within the District. As such, these improvements were not required nor necessarily desired by any properties or developments outside the District boundary and any public access or use of the improvements by others is incidental. Therefore, it has been determined that the ongoing maintenance, servicing and operation of the District improvements provide no measurable general benefit to properties outside the District or to the public at large, but clearly provide distinct and special benefits to properties within the District. Any improvement or portion thereof (particularly off-site storm drain facilities) that may be considered general benefit shall be funded by other revenue sources and not included as part of the special benefit assessments allocated to properties within this District. However, the costs associated with installation or improvement of any off-site facilities that benefit the parcels within this District as well as other properties (shared benefit) may be allocated to the parcels within the District based on their proportional special benefit from such improvements.

5.3 Assessment Methodology

The costs associated with the improvements and services shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with the California Constitution Article XIIID Section 4, 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 within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

The method of apportionment established for this District and described herein, reflects the proportional special benefit each property receives from the improvements and services based on the actual or proposed land use of that parcel as compared to other properties within the District based on similarities and differences in parcel land use.

5.3.1 ZONES OF BENEFIT:

While it has been determined that the improvements to be maintained by the District are entirely a special benefit to properties within the District (No measurable general benefit), upon review of the various improvements, the location and need for such improvements and the proposed development of properties within the District it has been determined that the improvements and services that will benefit the single-family residential properties are not identical to the improvements and services that will benefit the senior housing development, although they do share in the benefit of some of the improvements. Therefore, it has been determined that two separate zones of benefit are required to appropriately allocate the costs of

maintaining the improvements and establish proportional special benefit assessments. The properties associated with the senior housing development have been identified and designated as “Zone A”, and the single-family residential properties within Tract 2498 have been identified and designated as “Zone B” based on the improvements associated with those properties.

- (1) Zone A (Senior Housing Portion of Tract 2489)** — It has been determined that these properties benefit and shall proportionately share in the costs associated with maintaining and servicing the Upper Bridge Crossing, El Camino Real and the western portion of Ferrocarril Road leading into these properties. It has also been determined that the construction of the Graves Creek Bridge was only necessary for the development of these properties and therefore the cost to service and maintain this facility shall be entirely allocated to these properties. Conversely, the storm drain improvements that will be maintained by the City within Tract 2498 have been constructed as part of developing the twenty-six single-family residential properties and it has been determined that the senior housing properties do not receive direct and special benefit from those particular improvements. While these properties will not be assessed for the storm drain improvements, it should be noted that some storm drain facilities will be constructed as part of the senior housing development; however these improvements are not included in this District and will be provided and maintained by a Homeowner’s Association or similar entity.
- (2) Zone B (Single-Family Residential Portion of Tract 2498)** — Along with the properties in Zone A, the single-family residential properties within Tract 2498 benefit and shall proportionately share in the costs associated with maintaining and servicing the Upper Bridge Crossing and El Camino Real. In addition, the overall development of these particular properties required the construction and installation of the street improvements on Ferrocarril Road and De Anza Court as well as the entire storm drain system to be maintained by the District. Therefore, the cost of maintaining and servicing these particular improvements shall be budgeted and allocated proportionately to only those properties in Zone B. Conversely, the construction of the Graves Creek Bridge was only necessary for the development of the senior housing and the properties within Zone B will not share in the cost of maintaining this particular facility.

5.3.2 EQUIVALENT BENEFIT UNITS:

To assess benefits equitably it is necessary to relate each property’s proportional special benefits to the special benefits of the other properties within the District. The method of apportionment established for most districts formed under the 1982 Act utilizes a weighted method of apportionment known as an Equivalent Benefit Unit (EBU) methodology that uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Benefit Unit (EBU) and the other land uses are converted to a weighted EBU based on an assessment formula that equates the property’s specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

Although the Equivalent Benefit Unit method of apportioning special benefit is most commonly used and applied to districts that have a wide range of land use classifications (residential and non-residential use), this District is comprised of only residential properties and the following apportionment analysis of special benefit addresses only residential land uses. Not all land use types described in the following are necessarily applicable to the development of properties within this District, but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the District.

5.3.3 EBU APPLICATION BY LAND USE:

- (1) **Single-family Residential** — This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.0 EBU per lot or parcel. This is the base value that the other properties are compared and weighted against (i.e. Equivalent Benefit Unit “EBU”).
- (2) **Multi-family Residential** — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. (This land use typically includes apartments, duplexes, triplex etc., but does not generally include condominiums, town-homes or mobile home parks). Based on average population densities and size of the structure as compared to a typical single-family residential unit, multi-family residential parcels shall be proportionately assessed for the parcel’s total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single-family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single-family residence (Sample Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition). These various studies indicate that most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases, the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by this District, an appropriate allocation of special benefit for multi-family residential properties as compared to a single-family residential property is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 50 units; 0.50 EBU per unit for units 51 through 100; and 0.25 EBU per unit for the remaining units.
- (3) **Condominium/Town-home Units** — Condominiums and town-homes tend to share attributes of both single-family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single-family residential properties, these properties are not usually considered rental property and generally, the County assigns each unit a separate APN or assessment number. However, condominiums and town-homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.75 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to an APN. (There is no adjustment for parcels with more than five units).
- (4) **Modified Housing/Senior Housing Units** — Modified Housing or Senior Housing is generally defined as residential units that would typically be classified as Condominiums or Town-homes, but have specific deed restrictions that may limit the size or use of all units within the development. This classification is not applicable to individual single-family residential parcels unless all single-family residential parcels within that particular development or subdivision have the same restrictions.

(For example: One or more single-family units within a subdivision that are deed restricted as “Affordable Housing” or “Senior Housing” does not qualify for this land use classification, unless all the units within that development have the same or similar deed restrictions.) Since this classification generally involves Condominium or Town-home type properties, that are generally assigned 0.75 EBU, it has been determined that an appropriate allocation of special benefit for modified housing units or senior housing units is best represented by an assignment of 0.625 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to a single APN.

- (5) Planned-Residential Development** — This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the District. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a single APN). Each parcel that is part of the approved tract map shall be assessed proportionately for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single-family, condominium, multi-family units to be developed).
- (6) Vacant Residential** — This land use is defined as property currently zoned for residential development, but a tentative or final tract map for the property has not yet been approved. Based upon the opinions of professional appraisers who appraise market property values for real estate in California, the land value portion of a property typically ranges from 20 to 30 percent of the total value of a developed residential property (the average is about 25 percent). Although the assessed value of an individual property is not a direct reflection of the property’s special benefit, this general correlation between land value and structure value does provide a reasonable basis for apportioning special benefit for vacant residential properties. Utilizing this twenty-five percent (25%) apportionment and the number of single-family residential units typically developed per acre of land (an average of 4 residential units per acre) an Equivalent Benefit Unit of 1.0 EBU per acre (4 units per acre x 25%) is derived and presents an appropriate apportionment of special benefit for vacant residential properties. Recognizing that the full and timely utilization of vacant property is reduced as the size of the property increases, it has been determined that the maximum EBU assigned to a vacant residential parcel shall not exceed 25.0 EBU (parcels in excess of 25 acres are assigned 25.0 EBU). Parcels less than one acre, shall be assigned a minimum of 1.0 EBU (similar to a vacant lot within a residential tract).
- (7) Exempt Parcels** — This land use identifies properties that are not assessed and are assigned 0.0 EBU. 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 including open space areas, utility rights-of-way, greenbelts, parkways, parks or other publicly owned properties that are part of the District improvements or may provide other benefits to private properties within the District.;

- Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use;

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment, but shall be reviewed annually by the assessment engineer to confirm the parcels current development status. Government owned properties or public properties are not necessarily exempt properties and shall be subject to special benefit assessment unless it qualifies for an exempt status.

(8) Special Cases — In many districts where multiple land use classifications are involved, there are usually one or more properties for which the standard land use classifications do not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a Vacant Residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel.

The following table provides a summary of land use classifications and the Equivalent Benefit Unit calculations previously outlined.

Property Type	Equivalent Benefit Units	Multiplier
Single-family Residential	1.00	Per Unit/Lot/Parcel
Multi-family Residential	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Condominium/Townhome Units	0.75	Per Unit
Modified Housing/Senior Housing Units	0.625	Per Unit
Planned Residential Development	1.00	Per Planned SF Residential Lot
	0.75	Per Planned Condominium
	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Vacant Residential Land	1.00	Per Acre
Exempt Parcels	0.00	Per Parcel

The following formula is used to calculate each parcel's EBU (proportional benefit).

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of Equivalent Benefit Units (EBU's) is the sum of the individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of the parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

Total Balance to Levy / Total EBU = Levy per EBU

Levy per EBU x Parcel EBU = Parcel Levy Amount

5.4 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 XIIC and XIID), 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 (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, the notice and assessment ballots presented to the property owners for approval included a maximum assessment amount for Fiscal Year 2005/2006 (initial maximum assessment), identification of the corresponding maximum assessment rate and a summary of the Assessment Range Formula described herein.

The Assessment Range Formula for this District shall be applied to the future assessments and is generally defined:

- If the proposed annual assessment (levy per EBU) for the upcoming fiscal year is less than or equal to the adjusted Maximum Assessment Rate, then the proposed annual assessment is not considered an increased assessment.
- The Maximum Assessment Rate is equal to the (Initial) Maximum Assessment Rate established for Fiscal Year 2005/2006 adjusted annually by the greater of, three percent (3%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-San Jose Area from February to February. The Maximum Assessment rate was increased by 3.00% for Fiscal Year 2021/22.

Beginning with Fiscal Year 2006/2007 and each fiscal year thereafter, the Maximum Assessment Rate has been recalculated and a new Maximum Assessment Rate established for the fiscal year utilizing the Assessment Range Formula described above. The Maximum Assessment Rate is calculated independent of the District's annual budget and proposed assessment. The annual percentage change in CPI is based on available data provided by the U.S. Department of Labor; Bureau of Labor Statistics at the time the annual Report is prepared. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living. In January 2018, BLS introduced a new geographic area sample for the CPI. As part of the change the index for this area was renamed from San Francisco-Oakland-San Jose to San Francisco-Oakland-Hayward. The metropolitan area is comprised of Alameda, Contra Costa, Marin, San Francisco, San Mateo Counties in the State of California. This CPI will be used going forward.

Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the method of

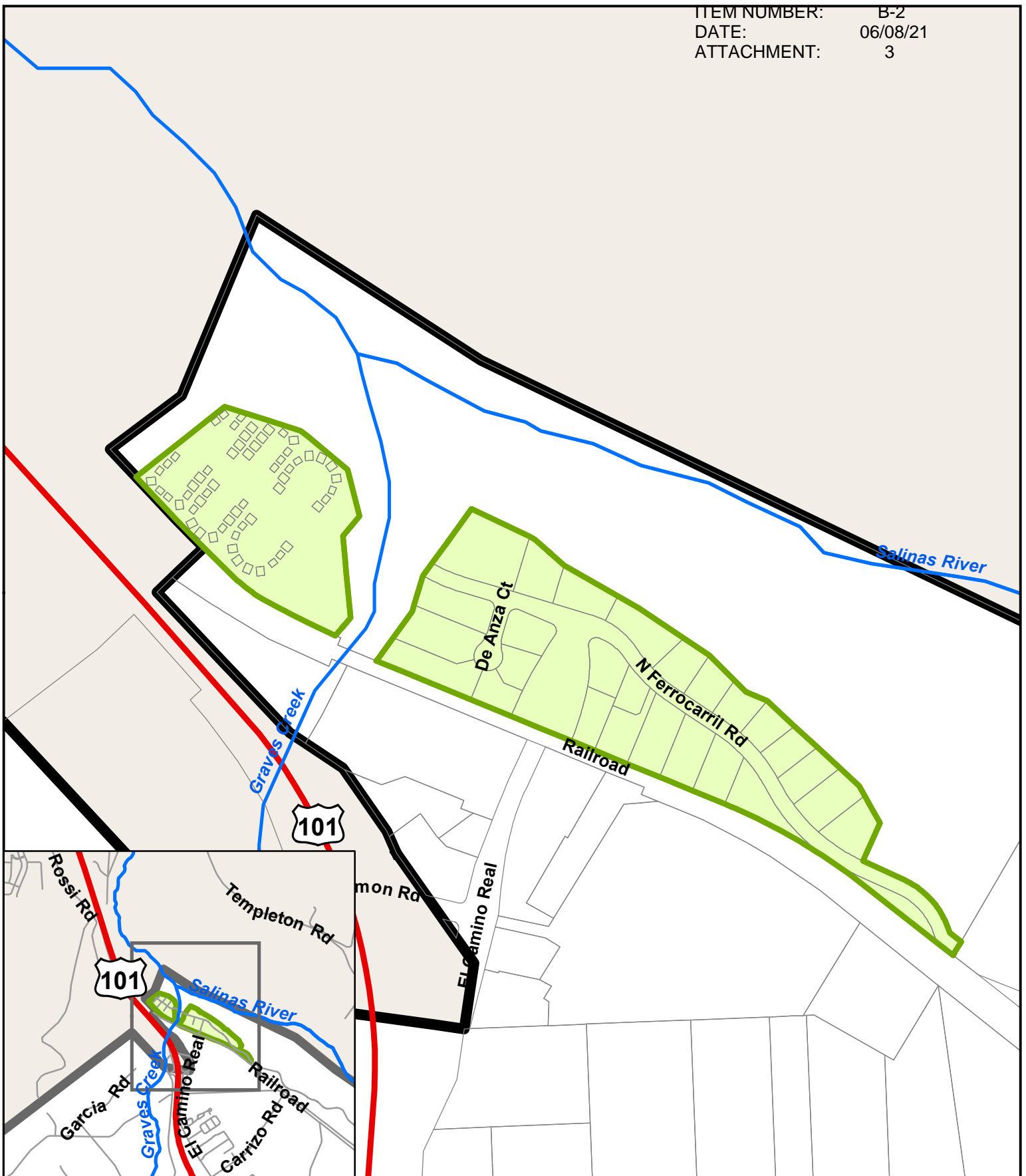
apportionment that increase the proportional special benefit assigned to a particular land use classification would be considered an increased assessment. Conversely, reductions in the proportional special benefit assigned to a land use classifications is permitted. Changes in land use or size of an individual property resulting in an assessment increase, is not considered an increased assessment.

To impose a new or increased assessment other than the annual inflationary adjustment provided by the preceding Assessment Range Formula, the City must comply with the provisions of the California Constitution Article XIID Section 4c, that requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve a proposed new or increased assessment before such an assessment may be imposed.

6. ASSESSMENT DIAGRAM

The parcels within the Street and Storm Drain Maintenance District No. 03 (De Anza Estates) consist of the lots, parcels and subdivisions of land located in the residential development known as De Anza Estates, Tract 2498. The District covers approximately seventy-six acres (75.84 acres) in the northern portion of the City of Atascadero.

The following map is based on the District Diagram, the San Luis Obispo County Assessor's Maps and the San Luis Obispo County Assessor's information and identifies the parcels of land within the proposed District, as the same existed at the time the District was formed. The combination of the District Diagram on file with the City Clerk and the Assessment Roll contained in this Report constitute the District Assessment Diagram.



CITY OF ATASCADERO

DE ANZA ESTATES

Street and Storm Drain Maintenance District No. 3

Landscaping and Lighting District No. 3



7. ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District is based on the Assessment Diagram presented herein and is based on available parcel maps and property data from the San Luis Obispo County Assessor's Office at the time the Engineer's Report was prepared. A listing of the proposed lots and parcels to be assessed within this District along with the assessment amounts is provided herein.

Non-assessable lots or parcels may include, but are not limited to public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas, right-of-ways, common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has little or no value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

ITEM NUMBER: B-2
 DATE: 06/08/21
 ATTACHMENT: 3

City of Atascadero
Street & Storm Drain Maintenance No. 3
Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-044-002	\$681.50	\$997.06
049-044-003	681.50	997.06
049-044-004	681.50	997.06
049-044-005	681.50	997.06
049-044-006	681.50	997.06
049-044-007	681.50	997.06
049-044-008	681.50	997.06
049-044-009	681.50	997.06
049-044-010	681.50	997.06
049-044-011	681.50	997.06
049-044-012	681.50	997.06
049-044-013	681.50	997.06
049-044-014	681.50	997.06
049-044-015	681.50	997.06
049-044-016	681.50	997.06
049-044-017	681.50	997.06
049-044-018	681.50	997.06
049-044-019	681.50	997.06
049-044-020	681.50	997.06
049-044-021	681.50	997.06
049-044-022	681.50	997.06
049-044-023	681.50	997.06
049-044-024	681.50	997.06
049-044-025	681.50	997.06
049-044-026	681.50	997.06
049-044-033	681.50	997.06
049-046-002	214.04	806.47
049-046-003	214.04	806.47
049-046-004	214.04	806.47
049-046-005	214.04	806.47
049-046-006	214.04	806.47
049-046-007	214.04	806.47
049-046-008	214.04	806.47
049-046-009	214.04	806.47
049-046-010	214.04	806.47
049-046-011	214.04	806.47
049-046-012	214.04	806.47
049-046-013	214.04	806.47
049-046-014	214.04	806.47
049-046-015	214.04	806.47
049-046-016	214.04	806.47
049-046-017	214.04	806.47
049-046-018	214.04	806.47
049-046-019	214.04	806.47
049-046-020	214.04	806.47
049-046-021	214.04	806.47
049-046-022	214.04	806.47
049-046-023	214.04	806.47
049-046-024	214.04	806.47
049-046-025	214.04	806.47

City of Atascadero
Street & Storm Drain Maintenance No. 3
Final Billing Detail Report for Fiscal Year 2021/22

ITEM NUMBER: B-2
DATE: 06/08/21
ATTACHMENT: 3

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-046-026	214.04	806.47
049-046-027	214.04	806.47
049-046-028	214.04	806.47
049-046-029	214.04	806.47
049-046-030	214.04	806.47
049-046-031	214.04	806.47
049-046-032	214.04	806.47
049-046-033	214.04	806.47
049-046-034	214.04	806.47
049-046-035	214.04	806.47
049-046-036	214.04	806.47
049-046-037	214.04	806.47
049-046-038	214.04	806.47
049-046-039	214.04	806.47
049-046-040	214.04	806.47
049-046-041	214.04	806.47
049-046-042	214.04	806.47
049-046-043	214.04	806.47
049-046-044	214.04	806.47
049-046-045	214.04	806.47
049-046-046	214.04	806.47
049-046-047	214.04	806.47
049-046-048	214.04	806.47
049-046-049	214.04	806.47
049-046-050	214.04	806.47
049-046-051	214.04	806.47
049-046-052	214.04	806.47
049-046-053	214.04	806.47
049-046-054	214.04	806.47
049-046-055	214.04	806.47
049-046-056	214.04	806.47
049-046-057	214.04	806.47
049-046-058	214.04	806.47
049-046-059	214.04	806.47
049-046-060	214.04	806.47
049-046-061	214.04	806.47
86 Accounts	\$30,561.40	\$74,312.35

Slight variances may occur due to rounding

DRAFT RESOLUTION C

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, APPROVING THE FINAL ENGINEER'S
REPORT REGARDING THE LANDSCAPING AND LIGHTING
DISTRICT NO. 03 (DE ANZA ESTATES), AND THE LEVY AND
COLLECTION OF ANNUAL ASSESSMENTS RELATED THERETO IN
FISCAL YEAR 2021/2022**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as the "City Council"), pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code, did by previous Resolution order the Engineer, NBS, to prepare and file a report in accordance with Article 4 of Chapter 1 of Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500, in connection with the proposed levy for Landscaping and Lighting District No. 03 (De Anza Estates) (hereafter referred to as the "District") and the collection of assessments related thereto for the fiscal year starting July 1, 2021 and ending June 30, 2022; and

WHEREAS, the Engineer has prepared and filed with the City Clerk of the City of Atascadero and the City Clerk has presented to the City Council such report entitled "Engineer's Annual Levy Report for the Landscaping and Lighting District No. 03 (De Anza Estates), fiscal year 2021/2022" (hereafter referred to as the "Engineer's Report") in accordance with the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (hereafter referred to as the "Act"); and

WHEREAS, the City Council has carefully examined and reviewed the Engineer's Report as presented, and is satisfied with the items and documents as set forth therein, and finds that the levy of assessments has been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented, consists of the following:

- a) Plans and specifications that describe the District and Improvements.
- b) Method of Apportionment that outlines the special benefit conferred on properties within the District from the improvements and the calculations used to establish each parcel's proportional special benefit assessment as well as a description of the assessment range formula that establishes the maximum assessment rate in subsequent fiscal years.
- c) The Budget that outlines the costs and expenses to service, and maintain the improvements including incidental expenses authorized by the Act to operate the District.
- d) An Assessment Diagram that identifies the boundaries of the District.

e) An Assessment Roll containing each of the Assessor Parcel Numbers that comprise the District and the proportional maximum assessment and annual assessment for fiscal year 2021/2022.

SECTION 3. The Engineer's Report as presented, is hereby approved, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the adoption and approval of the Engineer's Report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

DRAFT RESOLUTION D

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND
COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2021/2022 FOR
LANDSCAPING AND LIGHTING DISTRICT NO. 03
(DE ANZA ESTATES)**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as City Council) has by previous Resolutions initiated proceedings and declared its intention to levy special benefit assessments against parcels of land within the Landscaping and Lighting District No. 03 (De Anza Estates) (hereafter referred to as the "District") for fiscal year 2021/2022, said fiscal year commencing July 1, 2021 and ending June 30, 2022; pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereinafter referred to as the "Act") to pay the costs and expenses of operation, maintenance, repair and servicing of local landscaping, street lighting and appurtenant facilities related thereto; and

WHEREAS, the Engineer selected by the City Council has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council an Engineer's Report in connection with the proposed levy of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution adopt and approve said Engineer's Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2021 and ending June 30, 2022, to pay the costs and expenses of operation, maintenance, repair and servicing of local landscaping, street lighting, and appurtenant facilities related thereto; and

WHEREAS, the City and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of Section XIID of the California State Constitution.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving the Engineer's Report prepared in connection with the levy and collection of assessments, and considered the oral and written statements, protests and communications made or filed by interested persons.

SECTION 2. Based upon its review of the Engineer's Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

a) The land within District will receive special benefit by the operation, maintenance and servicing of improvements to be provided by the District.

b) The net amount to be assessed upon the lands within the District is in accordance and apportioned by a formula and method which fairly distributes the net amount among the eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 3. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the improvements that may include, but is not limited to local street lights, landscaping, parks and open space areas within the District and appurtenant facilities related thereto.

SECTION 4. The maintenance, operation and servicing of improvements shall be performed pursuant to the Act and the County Auditor of San Luis Obispo County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City.

SECTION 5. The City shall deposit the money representing assessments collected by the County for the District to the credit of a fund for the Landscaping and Lighting District No. 03 (De Anza Estates), and such money shall be expended for the maintenance, operation and servicing of the improvements as described in the Engineers Report and generally described in Section 3 of this Resolution.

SECTION 6. The adoption of this Resolution constitutes the levy of assessments for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 7. The City Clerk or their designee is hereby authorized and directed to file the levy with the County Auditor, per Sections 22645-22647 of the Act, upon adoption of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

CITY OF ATASCADERO

Fiscal Year 2021/22 Engineer's Report For:

Landscaping and Lighting District

No. 03 (De Anza Estates)

May 2021

Prepared by:



CITY OF ATASCADERO
Landscaping & Lighting District No. 03
(De Anza Estates)

6500 Palma Avenue
Atascadero, CA 93422
Phone – (805) 461-5000
Fax – (805) 461-7612

CITY COUNCIL

Heather Moreno, Mayor

Heather Newsom, Mayor Pro Tem

Charles Bourbeau, Council Member

Mark Dariz, Council Member

Susan Funk, Council Member

AGENCY STAFF

Rachelle Rickard, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Danielle Wood, Client Services Director

Adina McCargo, Project Manager

Miranda Ray, Administrator

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1. ENGINEER'S LETTER

WHEREAS, on August 9, 2005 by Resolution No. 2005-074, the City Council of the City of Atascadero (the "City"), State of California, in accordance with and pursuant to the Landscape and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500 (the "1972 Act")) established the City of Atascadero Landscaping and Lighting District No. 03 De Anza Estates (the "District"); and

WHEREAS, on May 11, 2021, the City Council, under the 1972 Act, adopted its Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of an Engineer's Report for the District; and

WHEREAS, the Resolution Initiating Proceedings directed NBS to prepare and file a report describing the general nature, location, and extent of the improvements to be maintained; an estimate of the costs of the maintenance, operations, and servicing of the improvements for the District for the referenced fiscal year; a diagram for the District, showing the area and properties to be assessed; and an assessment of the estimated costs of the administration, maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the District in proportion to the special benefit received. The following table summarizes the proposed assessment for Fiscal Year 2021/22:

FY 2021/22 Budget Summary

Description	Total Costs	Costs Not Assessed	Proposed Assessment	Total Benefit Units	Maximum Rate	Proposed Rate Per BU
Annual Maintenance	\$14,750	\$708	\$14,042			
Special Projects	2,500	0	2,500			
Administration	7,210	0	7,210			
Capital Reserve	6,614	500	6,114			
Collections/(Use)						
Levy Adjustments	(15,199)	(1,208)	(13,991)			
Total	\$15,875	\$0	\$15,875	63.5	\$1,429.67	\$250.00

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information, and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed, and levied in accordance with the assessment methodology adopted, approved, and ordered by the City Council of the City of Atascadero and the 1972 Act.

City Engineer

2. EXECUTIVE SUMMARY

Pursuant to the provisions of the Landscaping and *Lighting Act of 1972*, being *Part 2 of Division 15* of the *California Streets and Highways Code*, commencing with *Section 22500* (hereafter referred to as the “1972 Act”), and in compliance with the substantive and procedural requirements of the California State Constitution Article XIII D (hereafter referred to as “Article XIII D”), the City Council of the City of Atascadero, County of San Luis Obispo, State of California (hereafter referred to as “City”), executed the proceedings required for the establishment of the special benefit assessment district designated as:

Landscaping and Lighting District No. 03 (De Anza Estates)

(hereafter referred to as the “District”), which includes the lots and parcels of land within the residential subdivision known as De Anza Estates, Tract 2498 within the City limits of the City. This Engineer’s Report (hereafter referred to as the “Report”) has been prepared in connection with the levy and collection of annual assessments related thereto for Fiscal Year 2021/22, as required pursuant to Chapter 1, Article 4 of the 1972 Act.

The City Council formed the District, and provided for the levy and collection of annual assessments on the County tax rolls to provide ongoing funding for the costs and expenses required to service and maintain the landscaping and lighting improvements associated with and resulting from the development of properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1972 Act and the substantive and procedural provisions of Article XIII D.

This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements. The annual assessments will provide a funding source for the continued operation and maintenance of public landscaping and lighting improvements installed in connection with the development of properties within the District.

The improvements and assessments described in this Report are based on the planned development of properties within the District and represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the improvements. The boundaries of the District, the proposed improvements, the method of apportionment, and assessments described herein are based on current development plans and specifications for Tract 2498; and by reference these plans and specifications are made part of this Report.

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

As part of the District formation, the City of Atascadero conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the California Constitution, Article XIII D Section 4. In conjunction with this ballot proceeding, the City Council conducted a noticed public hearing on August 9, 2005 to consider public testimonies, comments and written protests regarding the formation of the District and levy of assessments. Upon conclusion of the public hearing,

property owner protest ballots received were opened and tabulated to determine whether majority protest existed (ballots were weighted based on assessment amounts), and by resolution the City Council confirmed the results of the ballot tabulation. Tabulation of the ballots indicated that majority protest did not exist for the proposed assessments and the assessment range formula presented and described herein, the City Council approved the Report (as submitted or amended), ordered the formation of the District, and approved the levy and collection of assessments. The assessments for Fiscal Year 2005/2006 were submitted to the San Luis Obispo County Auditor/Controller for inclusion on the property tax roll for each parcel.

Each subsequent fiscal year, an Engineer's Report shall be prepared and presented to the City Council describing the District any changes to the District or improvements and the proposed budget and assessments for that fiscal year and the City Council shall hold a noticed public hearing regarding these matters prior to approving and ordering the proposed levy of assessments. If the proposed assessments for the District exceed the maximum assessment described herein (as approved by the property owners), the new or increased assessment must be confirmed through another property owner protest ballot proceeding before such an assessment may be imposed. It should be noted that an increased assessment to an individual property resulting from changes in development or land use does not constitute an increased assessment.

3. PLANS AND SPECIFICATIONS

3.1 Description of the District

The territory within the District consists of the lots, parcels and subdivisions of land within the proposed residential subdivision known as the De Anza Estates, Tract 2498, which encompasses an area of land totaling approximately seventy-six acres (75.84 acres).

This subdivision is planned to include twenty-six (26) Single-Family Residential Units and sixty (60) Modified Housing/Senior Housing Units at build-out. The planned subdivision is situated in the northern portion of the City of Atascadero northeast of Highway 101 and is generally located:

- At the North end of El Camino Real;
- North and East of U.S. HWY 101; and,
- South and West of the Salinas River.

3.2 Improvements and Services Authorized by the 1972 Act

As generally defined by the 1972 Act and applicable to this District, the improvements and associated assessments may include one or more of the following:

- 1) The installation or planting of landscaping;
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities;
- 3) The installation or construction of public lighting facilities including, but not limited to street lights and traffic signals;
- 4) 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;
- 5) The installation of park or recreational improvements, including, but not limited to, all of the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts, and public restrooms.
- 6) The acquisition of land for park, recreational, or open-space purposes or any existing improvement otherwise authorized pursuant to this section.
- 7) The maintenance or servicing, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement including but not limited to:
 - a) Repair, removal, or replacement of all or any part of any improvements;
 - b) Grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities;

- c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
 - d) The removal of trimmings, rubbish, debris, and other solid waste;
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti;
 - f) Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements;
 - g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 8) Incidental expenses associated with the improvements including, but not limited to:
- a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices;
 - c) Compensation payable to the County for collection of assessments;
 - d) Compensation of any engineer or attorney employed to render services;
 - e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
 - f) Costs associated with any elections held for the approval of a new or increase assessment.

3.3 Description of Improvements and Services

The purpose of this District is to ensure the ongoing maintenance, operation and servicing of local landscaping and street lighting improvements established or installed in connection with development of properties within the District. The improvements may consist of all or a portion of the public landscaped areas, street lighting and appurtenant facilities within and adjacent to the District (Tract 2498). These improvements generally include, but are not limited to the materials, equipment, utilities, labor, appurtenant facilities and expenses necessary for the ongoing maintenance and operation of public street lighting as well as landscaped parkways, medians, slopes, trails, park areas, drainage basins, open space areas and other designated easements or right-of-ways constructed and installed as part of the development plans and agreements approved for the development of each lot and parcel within the District. The improvements to be maintained and funded entirely or partially through the District assessments are generally described as:

- Streetscape landscaping including street trees located on the perimeter of the development and interior streets of Tract 2498 that are within the public right-of-ways or easements and dedicated to the City for maintenance;
- Open space areas and fuel modification areas within or adjacent to the District boundaries;
- Park areas, recreational equipment, trails and landscaped drainage facilities developed and constructed as part of developing properties within Tract 2498;

- Specifically not included as District improvements are those improvements located on private property, improvements and facilities that may be provided or maintained by an agency other than the City; improvements and facilities that may be provide by another assessment or tax levied by the City or any improvement provided and maintained by a Homeowner's Association or similar entity.
- Public lighting facilities including street lighting, safety lighting and ornamental lighting installed as part of the residential development or landscaped improvement areas;
- Appurtenant facilities, equipment, materials and utilities related to the aforementioned improvements;
- Specifically not included as District improvements are those improvements located on private property, improvements and facilities that may be provided or maintained by an agency other than the City; improvements and facilities that may be provide by another assessment or tax levied by the City or any improvement provided and maintained by a Homeowner's Association or similar entity.

Detailed maps and descriptions of the location and extent of the specific improvements to be maintained by the District are on file in the Office of Public Works and by reference are made part of this Report. Those portions of the District improvements that may be identified as general benefit or will be funded in whole or in part by other revenue sources as part of the approved development agreements, will not be included as part of the District assessments. The net annual cost to provide and maintain the improvements determined to be of special benefit shall be allocated to each property in proportion to the special benefits received.

3.3.1 LANDSCAPE IMPROVEMENTS

The landscape improvements for the District may include, but are not limited to turf, ground cover, shrubs and plants, trees, irrigation and drainage systems, ornamental lighting, masonry walls or other fencing, hardscape improvements, monuments, and associated appurtenant facilities located within the landscape easements or public right-of-ways. Specifically the landscape improvement areas for this District are identified as:

- Approximately 43,560 square feet of streetscape (parkway embankment) landscaping within the public right-of-ways located on El Camino Real within the boundaries of Tract 2498;
- An estimated 150 trees, including trees within the landscaped area on El Camino Real, various trees within the open space area and the street trees within the street right-of-way on Ferrocarril Road;
- Approximately 175,550 square feet (4.03 acres) of landscaped area in and around the two (2) drainage basins within Tract 2498;
- Approximately fifty-one (51) acres of non-irrigated open space area;
- Approximately 48,000 square feet of paved and unpaved trails; and 2,600 linear feet of steel rail fencing along the trail system and landscaped areas.

3.3.2 PUBLIC LIGHTING IMPROVEMENTS

The approved development plans for Tract 2498 do not include any proposed street light facilities.

4. ESTIMATE OF COSTS

BUDGET	Total Budget	Costs Not Assessed	2021/2022 Assessment
DIRECT COSTS			
Annual Costs			
Landscape Services	\$6,500	(\$708)	\$5,792
Landscape Supplies	500	0	500
Landscape Utilities	1,000	0	1,000
City Landscape Services	6,250	0	6,250
Other Maintenance Services	500	0	500
Total Annual Direct Costs	\$14,750	(\$708)	\$14,042
CAPITAL EXPENDITURES			
Special Projects	\$2,500	\$0	\$2,500
Total Annual Special Projects	\$2,500	\$0	\$2,500
ADMINISTRATION EXPENSES			
Annual Administration Expenses			
City Annual Administration	\$2,220	\$0	\$2,220
Engineer's Report & Services	4,490	0	4,490
Public Noticing	500	0	500
Total Administration	\$7,210	\$0	\$7,210
TOTAL DIRECT & ADMINISTRATION COSTS	\$24,460	(\$708)	\$23,752
CAPITAL RESERVE COLLECTIONS/(USES)			
Landscape Rehabilitation/Replacement	\$2,938	\$0	\$2,938
Trail and Pathway Rehabilitation/Replacement	1,000	(500)	500
Park and Open Space Rehabilitation/Replacement	762	0	762
Tree Rehabilitation/Replacement	1,207	0	1,207
Park Rehabilitation/Replacement	707	0	707
Total Annual Capital Reserve Collections/(Uses)	\$6,614	(\$500)	\$6,114
LEVY ADJUSTMENTS			
Interest Income - Improvement Fund	(\$2,089)	\$0	(\$2,089)
Interest Income - Operating Reserve Fund	(301)	0	(301)
Contribution from Other Sources	(1,208)	(1,208)	0
Reserve Collection/(Use)	(11,601)	0	(11,601)
Total Levy Adjustments	(\$15,199)	(\$1,208)	(\$13,991)
BALANCE TO LEVY	\$15,875	\$0	\$15,875
DISTRICT STATISTICS			
Total Parcels			89
Parcels Levied			86
Total EBU ⁽¹⁾			63.50
Levy per EBU			\$250.00
Maximum Levy per EBU			\$1,429.67
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance			\$13,748
Operational Reserve Interest			301
Surplus Transfer from Improvement Fund			14,216
Operational Reserve Collection/(Use)			(13,991)
Estimated Ending Operating Reserve Balance			\$14,274
Beginning Improvement Fund Balance			\$108,146
Improvement Fund Interest			2,089
Surplus Transfer to Operations Fund			(14,216)
Improvement Fund Collection/(Use)			6,424
Estimated Ending Improvement Fund Balance			\$102,443

⁽¹⁾ Levy per EBU rate does not include the County of San Luis Obispo fee of \$2.00 per parcel.

5. METHOD OF ASSESSMENT

5.1 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:

“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 method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices and have been established pursuant to the 1972 Act and the provisions of Article XIID. The formulas used for calculating assessments reflects the composition of parcels within the District and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

5.2 Benefit Analysis

Each of the proposed improvements, the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the 1972 Act and Article XIID. The improvements provided by this District and for which properties will be assessed have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the development plans and applicable portions of the City General Plan. 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 a distinct and special benefit to the properties within the District. Any improvement or portion thereof that is considered to be of general benefit shall be funded by other revenue sources and not included as part of the special benefit assessments allocated to properties within the District.

5.2.1 SPECIAL BENEFIT

The method of apportionment (method of assessment) established herein is based on the premise that each assessed parcel within the District receives special benefits from the improvements and the desirability and security of those properties is enhanced by the presence of public lighting and well-maintained landscaping in close proximity to those properties.

The special benefits associated with landscape improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area and properties.

- Enhanced adaptation of the urban environment within the natural environment from adequate green space 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 District resulting from well-maintained improvements associated with the properties.
- Enhanced quality of life through well-maintained green space and landscaped areas.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District 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 and other public lighting facilities 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, streets and public areas.
- 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.

The preceding special benefits contribute to the esthetic value and desirability of each of the assessed parcels within the District and thereby provide a special enhancement of the properties. Furthermore, it has been determined that the lack of funding to properly service and maintain the District improvements would have a negative impact on the properties within the District.

5.2.2 GENERAL BENEFIT

Upon reviewing each of the District improvements, the proximity of those improvements to both properties within the District and those outside the District as well as the reasons for installing, constructing and maintaining such improvements, it is evident that the properties within the District receive special benefit from those improvements. While the District improvements clearly include public areas, easements, right-of-ways and other amenities available or visible to the public at large, the landscaped areas, trails, detention basin as well as the need to increase maintenance activities within the open space areas resulted solely from the development of properties within the District and would otherwise not have been required nor necessarily desired by any properties or developments outside the District and any public access or use of the improvements by others is incidental. Therefore, it has been determined that these improvements and the ongoing maintenance, servicing and operation of those improvements provide no measurable general benefit to properties outside the District or to the public at large. However, while this development has facilitated a need for increased maintenance of the open space area associated with Tract 2498, it is also

recognized that land conservation and ensuring adequate open space areas within the City does have some indirect, but not quantifiable, benefit to the community at large. Therefore, while the entire cost to maintain the open space area as well as the Horse Arena facility have been incorporated into the District budget, the annual cost to maintain the arena and a portion of the open space area are not included in the proposed special benefit assessments. Should the City require maintenance of these areas, the associated costs will be funded by other revenue sources available to the City.

5.3 Assessment Methodology

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

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 Article XIID Section 4, 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 within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

To identify and determine the special benefit to be received by each parcel and their proportionate share of the improvement costs it is necessary to consider the entire scope of the planned improvements as well as individual property development within the District. Upon review of the proposed improvements it has been determined that each of the residential parcels within the District receives special benefits from the improvements to be funded by annual assessments and based on the planned property development a single zone of benefit is appropriate for the allocation of the assessments and proportional benefit.

5.3.1 EQUIVALENT BENEFIT UNITS:

To assess benefits equitably it is necessary to relate each property's proportional special benefits to the special benefits of the other properties within the District. The method of apportionment established for most districts formed under the 1972 Act utilizes a weighted method of apportionment known as an Equivalent Benefit Unit methodology that uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Benefit Unit (EBU) and the other land uses are converted to a weighted EBU based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

Although the Equivalent Benefit Unit method of apportioning special benefit is most commonly used and applied to districts that have a wide range of land use classifications (residential and non-residential use), this District is comprised of only residential properties and the following apportionment analysis of special benefit addresses only residential land uses. Not all land use types described in the following are necessarily applicable to the development of properties within this District, but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the District.

5.3.2 EBU APPLICATION BY LAND USE:

- (1) **Single-family Residential** — This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.00 EBU per lot or parcel. This is the base value that the other properties are compared and weighted against regarding special benefit.
- (2) **Multi-family Residential** — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. (This land use typically includes apartments, duplexes, triplex etc., but does not generally include condominiums, town-homes or

mobile home parks). Based on average population densities and size of the structure as compared to a typical single-family residential unit, multi-family residential parcels shall be proportionately assessed for the parcel's total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single-family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single-family residence (Sample Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition). These various studies indicate that most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by this District, an appropriate allocation of special benefit for multi-family residential properties as compared to a single-family residential is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 50 units; 0.50 EBU per unit for units 51 through 100; and 0.25 EBU per unit for remaining units.

- (3) Condominium/Town-home Units** — Condominiums and town-homes tend to share attributes of both single-family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single-family residential properties, these properties are not usually considered rental property and generally, the County assigns each unit a separate APN or assessment number. However, condominiums and town-homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.75 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to an APN. (There is no adjustment for parcels with more than five units).
- (4) Modified Housing/Senior Housing Units** — Modified Housing or Senior Housing is generally defined as residential units that would typically be classified as Condominiums or Town-homes, but have specific deed restrictions that may limit the size or use of all units within the development. This classification is not applicable to individual single-family residential parcels unless all single-family residential parcels within that particular development or subdivision have the same restrictions. (For example: One or more single-family units within a subdivision that are deed restricted as "Affordable Housing" or "Senior Housing" does not qualify for this land use classification, unless all the units within that development have the same or similar deed restrictions.) Since this classification generally involves Condominium or Town-home type properties, that are generally assigned 0.75 EBU, it has been determined that an appropriate allocation of special benefit for modified housing units or senior housing units is best represented by an assignment of 0.625 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to a single APN.

- (5) Planned-Residential Development** — This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the District. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a single APN). Each parcel that is part of the approved tract map shall be assessed proportionately for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single-family, condominium, multi-family units to be developed).
- (6) Vacant Residential** — This land use is defined as property currently zoned for residential development, but a tentative or final tract map for the property has not yet been approved. Based upon the opinions of professional appraisers who appraise market property values for real estate in California, the land value portion of a property typically ranges from 20 to 30 percent of the total value of a developed residential property (the average is about 25 percent). Although the assessed value of an individual property is not a direct reflection of the property's special benefit, this general correlation between land value and structure value does provide a reasonable basis for apportioning special benefit for vacant residential properties. Utilizing this twenty-five percent (25%) apportionment and the number of single-family residential units typically developed per acre of land (an average of 4 residential units per acre) an Equivalent Benefit Unit of 1.00 EBU per acre (4 units per acre x 25%) is derived and presents an appropriate apportionment of special benefit for vacant residential properties. Recognizing that the full and timely utilization of vacant property is reduced as the size of the property increases, it has been determined that the maximum EBU assigned to a vacant residential parcel shall not exceed 25.00 EBU (parcels in excess of 25 acres are assigned 25.00 EBU). Parcels less than one acre, shall be assigned a minimum of 1.00 EBU (similar to a vacant lot within a residential tract).
- (7) Exempt Parcels** — This land use identifies properties that are not assessed and are assigned 0.00 EBU. 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 including open space areas, utility rights-of-way, greenbelts, parkways, parks or other publicly owned properties that are part of the District improvements or may provide other benefits to private properties within the District;
 - Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use;

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment, but shall be reviewed annually by the assessment engineer to confirm the parcels' current development status. Government owned properties or public properties are not necessarily exempt properties and shall be subject to special benefit assessment

unless it qualifies for an exempt status.

- (8) Special Cases** — In many districts where multiple land use classifications are involved, there are usually one or more properties for which the standard land use classifications do not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a Vacant Residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel.

The following table provides a summary of land use classifications and the Equivalent Benefit Unit calculations previously outlined.

Property Type	Equivalent Benefit Units	Multiplier
Single-family Residential	1.00	Per Unit/Lot/Parcel
Multi-family Residential	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Condominium/Townhome Units	0.75	Per Unit
Modified Housing/Senior Housing Units	0.625	Per Unit
Planned Residential Development	1.00	Per Planned SF Residential Lot
	0.75	Per Planned Condominium
	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Vacant Residential Land	1.00	Per Acre
Exempt Parcels	0.00	Per Parcel

The following formula is used to calculate each parcel's EBU (proportional benefit).

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of Equivalent Benefit Units (EBU's) is the sum of the individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of the parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

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

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

5.4 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 (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, the notice and assessment ballots presented to the property owners for approval included a maximum assessment amount for Fiscal Year 2005/2006 (initial maximum assessment), identification of the corresponding maximum assessment rate and a summary of the Assessment Range Formula described herein.

The Assessment Range Formula for this District shall be applied to future assessments and is generally defined:

- If the proposed annual assessment (levy per EBU) for the upcoming fiscal year is less than or equal to the adjusted Maximum Assessment Rate, then the proposed annual assessment is not considered an increased assessment.
- The Maximum Assessment Rate is equal to the (Initial) Maximum Assessment Rate established for Fiscal Year 2005/2006 adjusted annually by the greater of, three percent (3%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-Hayward Area from February to February. The Maximum Assessment rate was increased by 3.00% for Fiscal Year 2021/22.

Beginning with Fiscal Year 2006/2007 and each fiscal year thereafter, the Maximum Assessment Rate is recalculated and a new Maximum Assessment Rate is established for the fiscal year utilizing the Assessment Range Formula described above. The Maximum Assessment Rate has been calculated independent of the District's annual budget and proposed assessment. The annual percentage change in CPI is based on available data provided by the U.S. Department of Labor; Bureau of Labor Statistics at the time the annual Report is prepared. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living. In January 2018, BLS introduced a new geographic area sample for the CPI. As part of the change the index for this area was renamed from San Francisco-Oakland-San Jose to San Francisco-Oakland-Hayward. The metropolitan area is comprised of Alameda, Contra Costa, Marin, San Francisco, San Mateo Counties in the State of California. This CPI will be used going forward.

Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the method of apportionment that increase the proportional special benefit assigned to a particular land use classification would be considered an increased assessment. Conversely, reductions in the proportional special benefit assigned to a land use classifications are permitted. Changes in land use or size of an individual property resulting in an assessment increase, is not considered an increased assessment.

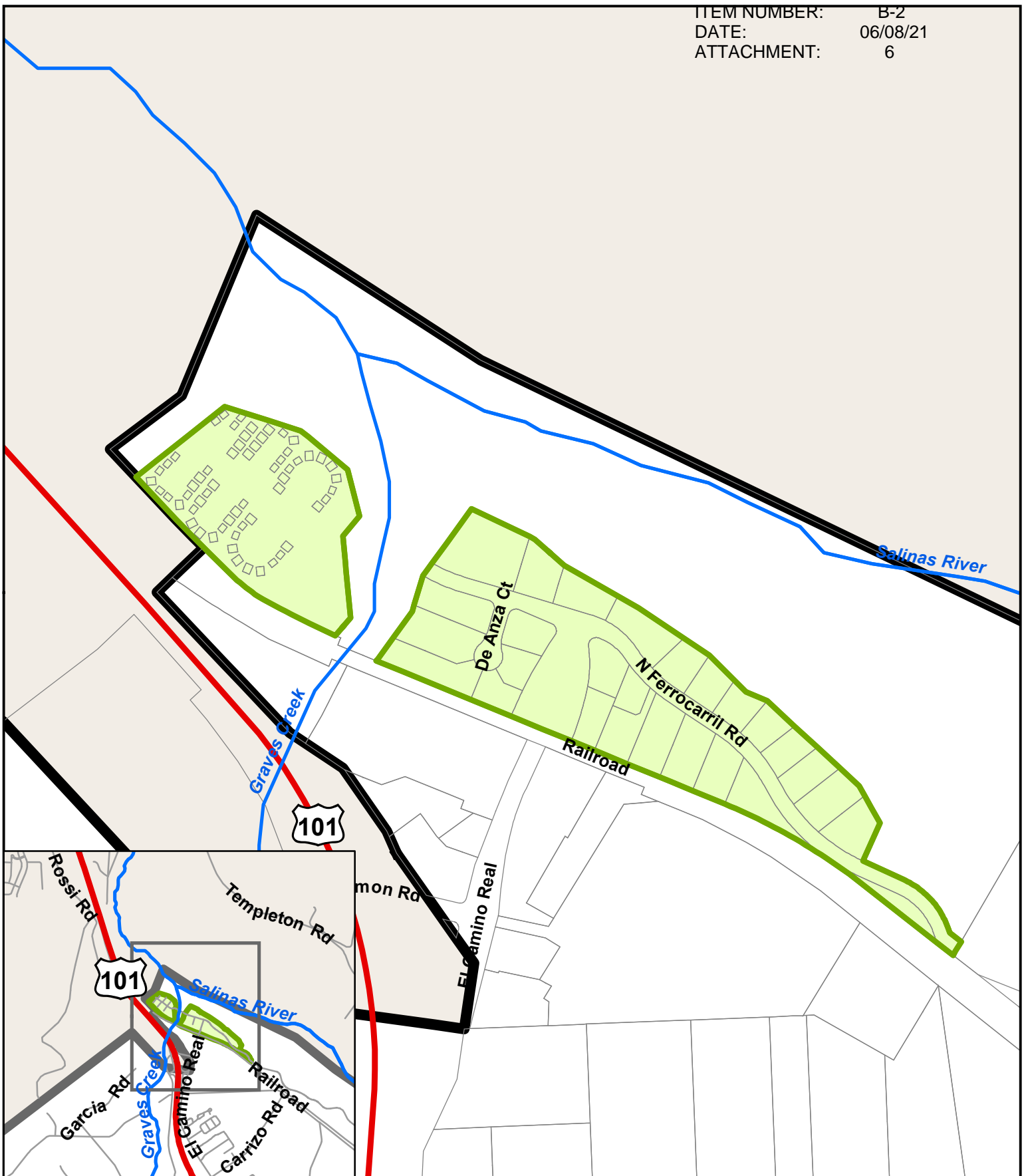
To impose a new or increased assessment other than the annual inflationary adjustment provided by the preceding Assessment Range Formula, the City must comply with the provisions of Article XIID Section 4c, that requires a public hearing and certain protest procedures including mailed notice of the public hearing

and property owner protest balloting. Property owners through the balloting process must approve a proposed new or increased assessment before such an assessment may be imposed.

6. ASSESSMENT DIAGRAM

The parcels within the Landscaping and Lighting District No. 03 De Anza Estates consist of the lots, parcels and subdivisions of land located in the planned residential development known as De Anza Estates, Tract 2498. The District covers approximately seventy-six acres (75.84 acres) in the northern portion of the City of Atascadero.

The following map is based on the District Diagram, the San Luis Obispo County Assessor's Maps and the San Luis Obispo County Assessor's information and identifies the parcels of land within the proposed District, as the same existed at the time the District was formed. The combination of the District Diagram on file with the City Clerk and the Assessment Roll contained in this Report constitute the District Assessment Diagram.



CITY OF ATASCADERO

DE ANZA ESTATES

Street and Storm Drain Maintenance District No. 3

Landscaping and Lighting District No. 3



7. ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District is based on the Assessment Diagram presented herein and is based on available parcel maps and property data from the San Luis Obispo County Assessor's Office at the time the Engineer's Report was prepared. A listing of the lots and parcels to be assessed within this District along with the assessment amounts is provided herein.

Non-assessable lots or parcels may include, but are not limited to public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas, right-of-ways, common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has little or no value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

The following is a list of the parcels and assessment amounts for each of the parcels within the District as determined by the assessment rates and method of apportionment described herein.

City of Atascadero
Landscaping & Lighting Maint Dist No. 3
Final Billing Detail Report for Fiscal Year 2021/22

ITEM NUMBER: B-2
DATE: 06/08/21
ATTACHMENT: 6

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-044-002	\$250.00	\$1,429.67
049-044-003	250.00	1,429.67
049-044-004	250.00	1,429.67
049-044-005	250.00	1,429.67
049-044-006	250.00	1,429.67
049-044-007	250.00	1,429.67
049-044-008	250.00	1,429.67
049-044-009	250.00	1,429.67
049-044-010	250.00	1,429.67
049-044-011	250.00	1,429.67
049-044-012	250.00	1,429.67
049-044-013	250.00	1,429.67
049-044-014	250.00	1,429.67
049-044-015	250.00	1,429.67
049-044-016	250.00	1,429.67
049-044-017	250.00	1,429.67
049-044-018	250.00	1,429.67
049-044-019	250.00	1,429.67
049-044-020	250.00	1,429.67
049-044-021	250.00	1,429.67
049-044-022	250.00	1,429.67
049-044-023	250.00	1,429.67
049-044-024	250.00	1,429.67
049-044-025	250.00	1,429.67
049-044-026	250.00	1,429.67
049-044-033	250.00	1,429.67
049-046-002	156.24	893.54
049-046-003	156.24	893.54
049-046-004	156.24	893.54
049-046-005	156.24	893.54
049-046-006	156.24	893.54
049-046-007	156.24	893.54
049-046-008	156.24	893.54
049-046-009	156.24	893.54
049-046-010	156.24	893.54
049-046-011	156.24	893.54
049-046-012	156.24	893.54
049-046-013	156.24	893.54
049-046-014	156.24	893.54
049-046-015	156.24	893.54
049-046-016	156.24	893.54
049-046-017	156.24	893.54
049-046-018	156.24	893.54
049-046-019	156.24	893.54
049-046-020	156.24	893.54
049-046-021	156.24	893.54
049-046-022	156.24	893.54
049-046-023	156.24	893.54
049-046-024	156.24	893.54
049-046-025	156.24	893.54

ITEM NUMBER: B-2
DATE: 06/08/21
ATTACHMENT: 6

City of Atascadero
Landscaping & Lighting Maint Dist No. 3
Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
049-046-026	156.24	893.54
049-046-027	156.24	893.54
049-046-028	156.24	893.54
049-046-029	156.24	893.54
049-046-030	156.24	893.54
049-046-031	156.24	893.54
049-046-032	156.24	893.54
049-046-033	156.24	893.54
049-046-034	156.24	893.54
049-046-035	156.24	893.54
049-046-036	156.24	893.54
049-046-037	156.24	893.54
049-046-038	156.24	893.54
049-046-039	156.24	893.54
049-046-040	156.24	893.54
049-046-041	156.24	893.54
049-046-042	156.24	893.54
049-046-043	156.24	893.54
049-046-044	156.24	893.54
049-046-045	156.24	893.54
049-046-046	156.24	893.54
049-046-047	156.24	893.54
049-046-048	156.24	893.54
049-046-049	156.24	893.54
049-046-050	156.24	893.54
049-046-051	156.24	893.54
049-046-052	156.24	893.54
049-046-053	156.24	893.54
049-046-054	156.24	893.54
049-046-055	156.24	893.54
049-046-056	156.24	893.54
049-046-057	156.24	893.54
049-046-058	156.24	893.54
049-046-059	156.24	893.54
049-046-060	156.24	893.54
049-046-061	156.24	893.54
86 Accounts	\$15,874.40	\$90,784.44

Slight variances may occur due to rounding



Atascadero City Council

Staff Report – Administrative Services Department

Woodridge (Las Lomas) Assessment Districts

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution A approving the final Engineer's Report regarding the Street and Storm Drain Maintenance District No. 02 – Woodridge (Las Lomas), and the levy and collection of annual assessments related thereto for Fiscal Year 2021/2022.
2. Adopt Draft Resolution B ordering the levy and collection of assessments for Fiscal Year 2021/2022 for Street and Storm Drain Maintenance District No. 02 – Woodridge (Las Lomas).
3. Adopt Draft Resolution C approving the final Engineer's Report regarding the Landscaping and Lighting District No. 02 – Woodridge (Las Lomas), and the levy and collection of annual assessments related thereto in Fiscal Year 2021/2022.
4. Adopt Draft Resolution D ordering the levy and collection of assessments for Fiscal Year 2021/2022 for Landscaping and Lighting District No. 02 – Woodridge (Las Lomas).

DISCUSSION:

The City Council formed and began assessing Atascadero Street and Storm Drain Maintenance District No. 02 (Woodridge) in 2005. This district was formed to provide funding for future routine maintenance of the streets, storm drains and sidewalks in the Woodridge (Las Lomas) subdivision.

The City Council also formed and began assessing Atascadero Landscaping and Lighting Maintenance District No. 02 (Woodridge) 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 Woodridge subdivision.

The Woodridge subdivision is now known as Las Lomas. The Assessment Districts were formed and named when the area was known as the Woodridge development. All references to Woodridge are now understood to mean the development known as Las Lomas.

NBS, 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 the Council 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 2021/2022 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 3.0% (CPI) this year for both districts.

The City has historically held an annual informational meeting with District residents, to review and gather input regarding the upcoming year's assessment. Due to a combination of factors including the new social distancing requirements due to the COVID-19, City Council's stated direction for essentialism in order to better prioritize and streamline staff's time and efforts, keeping down administration costs in the Districts, and dwindling community attendance at these meetings, the annual meeting was not held. An Assessment Information Notice was mailed to all property owners on April 26, 2021. The notice provided city staff contact information for questions and comments, dates for the related Council meetings, information on how to participate in the meeting, the proposed and current levies for both districts, and pages related to the districts from the City's June 30, 2020, audited financial statements.

The Landscaping and Lighting District levy is about 14% of the allowable maximum annual assessment and the Street and Storm Drain District is about 50% of the allowable maximum annual assessment.

The Districts are proposed to increase by Consumer Price Index (CPI). The Landscape and Lighting District is experiencing increased costs due to the aging landscape, increases in utilities (water and electricity), and increases in labor costs for the landscape maintenance contractor. City staff works to maximize efficiencies and minimize levy increases, however, modest levy increases are expected in future years in order to continue providing the existing service levels increased costs due to the aging landscape and increases in costs of labor and utilities.

At the direction of the residents in the District, the levy for the Street and Storm Drain District only includes costs to maintain the District Improvements through 2033. The residents were strongly opposed to including funding for any longer term maintenance in the current levy. As 2034 approaches, a bond issue or other financing mechanism will need to be approved and paid for by the residents to fund the longer term improvements needed to maintain the District. This information was included in the Assessment Information Notice that was mailed to the property owners.

District	Amount Per EBU Assessment Fiscal Year 2020-21	Amount Per EBU Proposed Assessment Fiscal Year 2021-22
Atascadero Street and Storm Drain Maintenance District No. 02 Las Lomas	\$ 401.00	\$ 407.00
Atascadero Landscaping and Lighting Maintenance District No. 02 Las Lomas	\$ 285.00	\$ 289.00

FISCAL IMPACT:

Annual assessments for 2021/2022 will total \$94,322 for road/drainage system maintenance and \$66,976 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in Las Lomas (Woodridge). The City General Fund will contribute \$2,600 for the fiscal year 2021/2022 for 25% of the maintenance costs of the trails and open space.

ATTACHMENTS:

1. Draft Resolution A
2. Draft Resolution B
3. Engineer's Annual Levy Report - Street and Storm Drain Maintenance District No. 02 – Woodridge (Las Lomas)
4. Draft Resolution C
5. Draft Resolution D
6. Engineer's Annual Levy Report - Landscaping and Lighting District No. 02 – Woodridge (Las Lomas)

DRAFT RESOLUTION A

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, APPROVING THE FINAL ENGINEER'S
REPORT REGARDING THE STREET AND STORM DRAIN
MAINTENANCE DISTRICT NO. 02 (WOODRIDGE), AND THE LEVY
AND COLLECTION OF ANNUAL ASSESSMENTS RELATED THERETO
FOR FISCAL YEAR 2021/2022**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as "City Council"), pursuant to the provisions the Benefit Assessment Act of 1982, Chapter 6.4 of the California Government Code, beginning with Section 54703 (hereafter referred to as the "Act"), did by previous Resolution order the Engineer, NBS, to prepare and file a report in accordance with the Act in connection with Street and Storm Drain Maintenance District No. 02 (Woodridge) (hereafter referred to as the "District") and the proposed levy and collection of assessments related thereto for fiscal year 2021/2022, said fiscal year starting July 1, 2021 and ending June 30, 2022; and

WHEREAS, the Engineer has prepared and filed with the City Clerk of the City of Atascadero and the City Clerk has presented to the City Council such report entitled "Engineer's Annual Levy Report for Street and Storm Drain Maintenance District No. 02 (Woodridge), fiscal year 2021/2022" (hereafter referred to as "Engineer's Report") in accordance with the Act; and

WHEREAS, the City Council has carefully examined and reviewed the Engineer's Report as presented, and is satisfied with the items and documents as set forth therein, and finds that the levy of assessments has been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented, consists of the following:

- a) Plans and specifications that describe the District and Improvements.
- b) Method of Apportionment that outlines the special benefit conferred on properties within the District from the improvements and the calculations used to establish each parcel's proportional special benefit assessment.
- c) The Budget that outlines the costs and expenses to service, and maintain the improvements including incidental expenses to operate the District.
- d) An Assessment Diagram that identifies the boundaries of the District.
- e) An Assessment Roll containing each of the Assessor Parcel Numbers that comprise the District and the proportional maximum assessment and the assessment for fiscal year 2021/2022.

SECTION 3. The Engineer's Report as presented, is hereby approved, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the adoption and approval of the Engineer's Report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

DRAFT RESOLUTION B

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND
COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2021/2022 FOR
STREET AND STORM DRAIN MAINTENANCE DISTRICT NO. 02
(WOODRIDGE)**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as City Council) has by previous Resolutions initiated proceedings to levy special benefit assessments against parcels of land within Street and Storm Drain Maintenance District No. 02 (Woodridge) (hereafter referred to as the “District”) for the fiscal year commencing July 1, 2021 and ending June 30, 2022; pursuant to the provisions of the Benefit Assessment Act of 1982, Chapter 6.4 of the California Government Code, beginning with Section 54703 (hereafter referred to as the “Act”) to pay the costs and expenses of operation, maintenance, repair and servicing of local street right-of-way improvements and storm drain facilities related thereto; and

WHEREAS, the Engineer selected by the City Council has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council an Engineer’s Report in connection with the proposed levy of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution adopt and approve said Engineer’s Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2021 and ending June 30, 2022, to pay the costs and expenses of operation, maintenance, repair and servicing of local street right-of-way improvements and storm drain facilities related thereto; and

WHEREAS, the City Council conducted in May 2005 a property owner protest ballot proceeding for the District assessments proposed to be levied and majority protest of the assessments described in the Engineer’s Report did not exist pursuant to the provisions of the California State Constitution Article XIID.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving the Engineer’s Report prepared in connection therewith; the levy and collection of assessments, and considered the oral and written statements, protests and communications made or filed by interested persons.

SECTION 2. Based upon its review of the Engineer’s Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

- a) The land within District will receive special benefit by the operation, maintenance and servicing of improvements to be provided by the District.
- b) The District includes the lands receiving such special benefit.
- c) The net amount to be assessed upon the lands within the District is in accordance and apportioned by a formula and method which fairly distributes the net amount among the eligible

parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 3. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the improvements that may include, but is not limited to local street right-of-way improvements and storm drain facilities within the District and the appurtenant facilities related thereto.

SECTION 4. The maintenance, operation and servicing of improvements shall be performed pursuant to the Act and the County Auditor of San Luis Obispo County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City.

SECTION 5. The City shall deposit the money representing assessments collected by the County for the District to the credit of a fund for the Street and Storm Drain Maintenance District No. 02 (Woodridge), and such money shall be expended only for the maintenance, operation and servicing of the improvements as described in the Engineers Report and generally described in Section 3 of this Resolution.

SECTION 6. The adoption of this Resolution constitutes the establishment of the maximum assessment rate described in the Engineer's Report and the levy of assessments for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 7. The City Clerk or their designee is hereby authorized and directed to file the levy with the County Auditor, per Section 54718 of the Act, upon adoption of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

CITY OF ATASCADERO

Fiscal Year 2021/22 Engineer's Report For:

**Street and Storm Drain Maintenance
District No. 02 Las Lomas (Woodridge)**

May 2021

Prepared by:



CITY OF ATASCADERO
Street and Storm Drain Maintenance District No. 02
Las Lomas (Woodridge)

6500 Palma Avenue
Atascadero, CA 93422
Phone – (805) 461-5000
Fax – (805) 461-7612

CITY COUNCIL

Heather Moreno, Mayor

Heather Newsom, Mayor Pro Tem

Charles Bourbeau, Council Member

Mark Dariz, Council Member

Susan Funk, Council Member

AGENCY STAFF

Rachelle Rickard, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Danielle Wood, Client Services Director

Adina McCargo, Project Manager

Miranda Ray, Administrator

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1. ENGINEER'S LETTER

WHEREAS, on March 24, 2005 by Resolution No. 2005-048, the City Council of the City of Atascadero (the "City"), State of California, in accordance with and pursuant to the provisions of the Benefit Assessment Act of 1982, being Chapter 6.4 of the California Government Code, commencing with Section 54703 (hereafter referred to as the "1982 Act"), and in compliance with the substantive and procedural requirements of the California State Constitution Article XIIIID (hereafter referred to as the "California Constitution"), established the City of Atascadero Street and Storm Drain Maintenance District No. 02 Las Lomas (Woodridge) (the "District"); and

WHEREAS, on May 11, 2021, the City Council, adopted its Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of an Engineer's Report for the District; and

WHEREAS, the Resolution Initiating Proceedings directed NBS to prepare and file a report describing the general nature, location, and extent of the improvements to be maintained; an estimate of the costs of the maintenance, operations, and servicing of the improvements for the District for the referenced fiscal year; a diagram for the District, showing the area and properties to be assessed; and an assessment of the estimated costs of the administration, maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the District in proportion to the special benefit received. The following table summarizes the proposed assessment for Fiscal Year 2021/22:

FY 2021/22 Summary of Assessment

Description	Amount
Estimated Annual Costs	\$40,940
Capital Reserve Collection/(Uses)	114,270
Levy Adjustments	(60,888)
Balance to Levy	\$94,322
Fiscal Year 2021/22 Maximum Rate	\$812.58
Fiscal Year 2021/22 Proposed Applied Rate	\$407.00

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information, and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed, and levied in accordance with the assessment methodology adopted, approved, and ordered by the City Council of the City of Atascadero and the 1982 Act.

City Engineer

2. EXECUTIVE SUMMARY

Pursuant to the provisions of the *Benefit Assessment Act of 1982, being Chapter 6.4 of the California Government Code, commencing with Section 54703* (hereafter referred to as the “1982 Act”), and in compliance with the substantive and procedural requirements of the *California State Constitution Article XIID* (hereafter referred to as the “California Constitution”), the City Council of the City of Atascadero, County of San Luis Obispo, State of California (hereafter referred to as “City”), proposed to form and levy special benefit assessments for the district designated as:

Street and Storm Drain Maintenance District No. 02 Las Lomas (Woodridge)

(hereafter referred to as the “District”), which includes the lots and parcels of land within the residential subdivision known as Las Lomas (Woodridge), Tract 2525-1 within the City limits of the City. This Engineer’s Report (hereafter referred to as the “Report”) has been prepared in connection with the levy and collection of annual assessments related thereto for Fiscal Year 2021/22.

The City Council formed the District, and provided for the levy and collection of annual assessments on the County tax rolls to provide ongoing funding for the costs and expenses required to service and maintain the street and storm drain improvements and facilities associated with and resulting from the development of properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1982 Act and the substantive and procedural provisions of the California Constitution.

This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements and facilities. The annual assessments described herein will provide a funding source for the continued operation and maintenance of streets, storm drain system and appurtenant facilities installed in connection with the development of properties within the District.

The improvements and assessments described in this Report are based on the development of properties within the District and represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the streets and storm drain system that provides special benefits to properties within the District. The structure of the District (organization), the improvements, the method of apportionment, and assessments described herein are based on current development plans and specifications for Tract 2525-1; and by reference these plans and specifications are made part of this Report.

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

As part of this District’s formation, the City conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the *California Constitution, Article XIID Section 4*. In conjunction with this ballot proceeding, the City Council conducted a noticed public hearing to consider public testimonies, comments and written protests regarding the formation of the District and

levy of assessments. Upon conclusion of the public hearing, property owner protest ballots received were opened and tabulated to determine whether majority protest existed (ballots were weighted based on assessment amounts), and by resolution the City Council confirmed the results of the ballot tabulation. The tabulation of the ballots indicated that majority protest did not exist for the proposed assessments and the assessment range formula presented and described herein; therefore, the City Council approved the Report (as submitted or amended), ordered the formation of the District, and approved the levy and collection of assessments. The assessments for Fiscal Year 2005/2006 were submitted to the San Luis Obispo County Auditor/Controller for inclusion on the property tax roll for each parcel.

Each subsequent fiscal year, a Report shall be prepared and presented to the City Council describing any changes to the improvements, proposed services, the annual budget or assessments for that fiscal year and the City Council may hold a noticed public hearing regarding these matters prior to approving and ordering the proposed levy of assessments. If the proposed assessments for the District exceed the maximum assessment described herein (as approved by the property owners), the new or increased assessment must be confirmed through another property owner protest ballot proceeding before such an assessment may be imposed. It should be noted that an increased assessment to an individual property resulting from changes in development or land use does not constitute an increased assessment.

3. PLANS AND SPECIFICATIONS

3.1 Benefiting Properties within the District

The territory within the District consists of the lots, parcels and subdivisions of land within the residential subdivision known as the Las Lomas (Woodridge), Tract 2525-1, which encompasses an area of land totaling approximately one hundred and eleven acres (111.20 acres).

This residential subdivision includes one hundred forty-three (143) single-family residential units; thirty-five (35) condominium/senior housing units; and a single, one hundred (100) unit multi-family residential project at build-out. Due to parcel splits the multi-family residential project is spread over three parcels. The planned subdivision is situated in the southeast portion of the City of Atascadero and is generally located:

- South and east of Halcon Road;
- East of Highway 101 and El Camino Real
- South and west of the Southern Pacific Railroad Tracks; and
- North of Salinas Road and Santa Cruz Road

3.2 Funding Authorized by the 1982 Act

As generally defined by the Benefit Assessment Act of 1982 and applicable to this District, the City may impose a benefit assessment to finance the maintenance and operation costs of the following services:

- Drainage and Flood Control;
- Streets and Roads.

In addition to imposing a benefit assessment for the annual maintenance and operation of the District improvements, the City may also authorize an assessment or utilize existing assessment revenues to finance the installation, construction or replacement of drainage and flood control facilities as well as the street and road improvements (with some limitations). While such activities are permitted under the 1982 Act, the budget and assessments for this District only provide for normal maintenance and operation of the improvements. Since most major rehabilitation/construction projects result from unforeseen damages, the extent and cost of such projects are not easily predicted and to accumulate funds as part of the normal annual assessments would not be reasonable. If such funding becomes necessary, the City may present a new or increased assessment to the property owners to support the projects.

3.3 Description of Improvements and Services

The purpose of this District is to fund the activities necessary to maintain and service the local streets and the drainage and flood control systems constructed and installed in connection with development of properties within the residential subdivision known as Las Lomas (Woodridge), Tract 2525-1 pursuant to approved development plans and agreements. The improvements may consist of all or a portion of the public streets, drainage and flood control facilities associated with Tract 2525-1 and the maintenance of these improvements may include but are not limited to the materials, equipment, labor, and incidental expenses deemed necessary to keep these improvements in satisfactory condition. The maintenance of the

improvements and related activities shall be funded entirely or partially through the District assessments. Not all improvements have been fully accepted by the City. It is anticipated that will occur within the next fiscal year at which time the costs of maintenance for those improvements will be charged to the district. The District improvements and services are generally described as:

- Street maintenance that may include but is not limited to the repair and servicing of street surfaces, curbs, gutters, bridges, driveway approaches, sidewalks, barricades, delineation, signage or other facilities within the public street right-of-ways installed in connection with the development of properties in Tract 2525-1 and that have been dedicated to the City;
- Storm drain and flood control maintenance that may include but is not limited to inspection, repair and servicing of drainage basins, inlets, catch basins, manholes, outlets, drywells, pumps, filters and storm drain pipes installed in connection with the development of properties of Tract 2525-1 as well as any off-site improvements and facilities directly associated with the aforementioned infrastructure that is deemed necessary to service or protect the properties including waste water treatment;
- The appurtenant, equipment, materials and service contracts related to the aforementioned improvements and facilities;
- Specifically excluded are those improvements or facilities: located on private property or common areas; that may be provided or maintained by an agency other than the City; that may be provided by another assessment or tax levied by the City; or that may be provided and maintained by a Homeowner's Association or similar entity.

Detailed maps and descriptions of the location and extent of the specific improvements to be maintained by the District are on file in the Office of Public Works and by reference are made part of this Report. Those portions of the District improvements that may be identified as general benefit or will be funded in whole or in part by other revenue sources as part of the approved development agreements, will not be included as part of the District assessments. The net annual cost to provide and maintain the improvements determined to be of special benefit shall be allocated to each property in proportion to the special benefits received.

3.3.1 STREET MAINTENANCE

The street maintenance program may include, but is not limited to: the repair of potholes, cracks or other failures in the asphalt surface; repair or replacement of curbs, gutters, driveway approaches and sidewalks as required as part of maintaining the streets; repair or installation of street signs, barricades, fencing or other delineation; mechanized sweeping and cleaning of the streets and gutters; slurry sealing, overlays and re-striping of the street surfaces. The specific activities and timing of various street and road maintenance services shall be determined by the City's Public Works Department as necessary to extend the life of the streets or to improve traffic circulation and safety as available funding permits. Specifically, the street improvements for this District are identified as:

- Approximately 290,610 square feet of asphalt street surface located on the various interior streets identified as Calle Milano, Eliano Street, Via Cielo, Avion Road, Alcotan Lane, and Azor Lane;
- Approximately 13,750 linear feet of curb and gutter along Calle Milano, Eliano Street, Via Cielo, Avion Road, Alcotan Lane, and Azor Lane;

- Approximately 1,480 linear feet of curb and gutter in and around the median islands on Calle Milano and at Via Cielo;
- Approximately 145 driveway approaches, 45,264 square feet of sidewalks and various street signs within the District;
- Specifically not included as part of the street maintenance program are the costs associated with major replacements or reconstruction. Although the District assessments will provide funding for regular maintenance and servicing of the improvements that will extend the useful life of the street improvements, the assessments are not intended to fund major replacements or reconstruction of the street surfaces or adjacent improvements such as curbs, gutters or driveway approaches. The costs of extensive replacement or reconstruction activities such as grinding and resurfacing of the asphalt; and replacement of curbs, gutters driveway approaches and sidewalks is significantly more than the amount that can reasonably be collected annually under the provisions of the 1982 Act. When such repairs or activities are deemed necessary, the City will consider various financing options including new or increased assessments for property owner approval.

The Public Works Department shall authorize the operational activities and maintenance of the public street and right-of-way improvements, facilities and services that may include, but are not limited to:

- Regular street sweeping services necessary to control dirt and debris on street surfaces and gutters;
- Annual inspection of street surface and repair of potholes and surface cracks as needed;
- Periodic slurry or overlay of street surfaces and driveway approaches (typically one or the other once every five years);
- Periodic re-striping of traffic lanes, bike lanes, street parking areas, crosswalks and intersections (typically in conjunction with slurry or overlay activities);
- Graffiti abatement of public improvements within the street right-of-ways that are maintained by the District including but not limited to sandblasting, repainting and repair of fences, walls, barricades, sidewalks and signage as needed;
- Annual inspection and periodic repair or replacement of decorative street- pavers as needed;
- Annual inspection and minor repairs of curbs, gutters, driveway approaches and sidewalks including partial segment replacements as needed to ensure pedestrian and vehicle safety or the integrity of the street;
- Annual inspection and periodic repair or rehabilitation of street signs and traffic control devices;
- Annual inspection and repair of barricades, street-fencing, delineation or retaining walls within the street right-of-ways as needed.

A portion of the services described above are not performed on an annual basis but rather on a periodic basis, such as slurry sealing or overlaying the asphalt streets, and the funds necessary for these activities are collected in installments as part of the annual assessments. The monies collected each year for these services will be accumulated in a special fund of the District (Reserve Fund or Capital Improvement Fund). The monies accumulated for these activities shall be spent when sufficient funds have been accumulated to perform the services deemed necessary by the City (approximately every five years). This process of accumulating funds (installments) shall continue until such time the District is dissolved; or the City determines that such funding procedures require modification. Changes in the process of accumulating

funds that would result in an increase to the annual assessment rate must be presented to the property owners for approval prior to imposing such an increase.

3.3.2 STORM DRAIN AND FLOOD CONTROL MAINTENANCE

The storm drain and flood control system associated with the District may include but is not limited to: drainage basins and bio-filters; channel ways; storm drain inlets, catch basins, manholes, outlets; drywells, pumps, filters and pipes. The storm drain system to be maintained primarily involves on-site facilities (within the District boundaries) but may also include off-site improvements such as water treatment equipment, facilities or services mandated or required by Federal, State or County regulations for water pollution control. The annual assessments for this District are intended to support a storm drain and flood control maintenance program that will adequately regulate and control storm water runoff resulting from the development of properties within the District. This maintenance program may include but is not limited to: inspection and documentation of the system; cleaning, servicing or repair of the facilities and equipment; and the partial replacement or rehabilitation of equipment and facilities. The storm drain and flood control system includes but is not limited to:

- Approximately 175,550 square feet of drainage basin area;
- Twenty-four (24) inlets, outlets and manholes located throughout Tract 2525-1;
- Approximately 4,965 linear feet of storm drain pipe ranging from 18 inches to 36 inches in diameter.

The Public Works Department shall authorize and schedule the operational activities and maintenance of the storm drain and storm water pollution treatment infrastructure, facilities and services that may include, but are not limited to:

- Cleaning of storm drain inlets, catch basins, manholes and pipes as needed;
- Stencil maintenance and documentation of facilities as required by Federal, State or County regulations;
- Cleaning and landscape maintenance of the drainage basins, bio-filter areas or channel ways as needed;
- Debris removal and pest control in and around the storm drain facilities as needed;
- Minor repairs and maintenance of the storm drain inlets, catch basins and outlets as needed;
- Street sweeping services necessary to control debris and water flow for the storm drain system; and,
- The operational costs related to NPDES compliance requirements.

A portion of the services described above are not performed on an annual basis but rather on a periodic basis such as minor repairs to the storm drain inlets, catch basins and outlets, and the funds necessary for these activities are collected in installments as part of the annual assessments. The monies collected each year for these services will be accumulated in a special fund of the District (Reserve Fund or Capital Improvement Fund). The monies accumulated for these activities shall be spent as needed to perform the services deemed necessary by the City. This process of accumulating funds (installments) shall continue until such time the District is dissolved; or the City determines that such funding procedures require modification. Changes in the process of accumulating funds that would result in an increase to the

annual assessment rate must be presented to the property owners for approval prior to imposing such an increase.

4. ESTIMATE OF COSTS

Budget	2021/2022 Assessment
DIRECT COSTS	
Streets, Roads & Storm Drain Improvements	
Street Maintenance	\$7,850
Drainage Maintenance Services	3,500
Inspection & Operational Services - Roads, Drainage	0
Total Annual Direct Costs	\$11,350
SPECIAL PROJECT	\$20,000
ADMINISTRATION EXPENSES	
City Annual Administration	\$1,800
City Operational Services	4,040
Engineer's Report & Services	3,450
Public Noticing	300
Total Annual Administration Costs	\$9,590
TOTAL DIRECT & ADMINISTRATION COSTS	\$40,940
CAPITAL RESERVE COLLECTIONS/(USES)	
Collection for Street Surface Activities	\$97,500
Collection for Repair Activities: Curbs, Gutters, Approaches & Sidewalks	12,500
Collection for Debris Removal	1,250
Collection for Storm Drain Infrastructure	3,020
Total Annual Capital Reserve Collections/(Uses)	\$114,270
LEVY ADJUSTMENTS	
Interest Income - Improvement Fund	(\$13,041)
Interest Income - Operating Reserve Fund	(259)
Reserve Fund Collection (Use)	(47,588)
Total Levy Adjustments	(\$60,888)
BALANCE TO LEVY	\$94,322
DISTRICT STATISTICS	
Total Parcels	191
Parcels Levied	181
Total EBU ⁽¹⁾	231.75
Levy per EBU	\$407.00
Maximum Levy per EBU	\$812.58
FUND BALANCE INFORMATION	
Beginning Operating Reserve Balance	\$12,955
Operational Reserve Interest	259
Surplus Transfer from Improvement Fund	61,285
Operational Reserve Collection (Use)	(60,888)
Ending Operating Reserve Balance	\$13,611
Beginning Improvement Fund Balance	\$618,815
Improvement Fund Interest	13,041
Surplus Transfer to Operations Fund	(61,285)
Improvement Fund Collection	114,270
Ending Improvement Fund Balance	\$684,841

⁽¹⁾ Levy per EBU rate does not include the County of San Luis Obispo fee of \$2.00 per parcel

5. METHOD OF ASSESSMENT

5.1 General

The 1982 Act permits the establishment of assessment districts by agencies for the purpose of providing for the maintenance, operation and servicing of drainage and flood control improvements as well as streets, roads and appurtenant facilities. The 1982 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The amount of the assessment imposed on any parcel of property shall be related to the benefit to the parcel which will be derived from the provision of the service”.

Furthermore:

“The annual aggregate amount of the assessment shall not exceed the estimated annual cost of providing the service, except that the legislative body may, by resolution, determine that the estimated cost of work authorized ... is greater than can be conveniently raised from a single annual assessment and order that the estimated cost shall be raised by an assessment levied and collected in installments.... The revenue derived from the assessment shall not be used to pay the cost of any service other than the service for which the assessment was levied.”

The method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices in compliance with the provisions of the 1982 Act and the California Constitution. The formulas used for calculating assessments reflects the composition of parcels within the District and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

5.2 Benefit Analysis

Each of the proposed improvements and services, and the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the 1982 Act and the California Constitution. The street and storm drain improvements associated with this District were necessary and essential requirements for the orderly development of the properties within the District to their full potential, consistent with the development plans and applicable portions of the City General Plan. As such the ongoing operation, servicing and maintenance of those improvements would otherwise be the direct financial obligation of each individual property owner. Since each parcel to be assessed within the District could not have been developed in the absence of these improvements and facilities, each parcel has a direct investment in the proper maintenance of the improvements that is over and above any general benefits that may be conferred by such improvements and services.

The ongoing maintenance and servicing of the District improvements is an integral part of the appearance, use and preservation of the properties within the District and such services to be funded by annual assessments confer a particular and distinct special benefit to those parcels. The proper maintenance of streets and appurtenant facilities allows individual parcels to be used to their fullest extent by ensuring the safe and efficient movement of people and goods to and from the benefiting properties Likewise, the maintenance and servicing of the storm drain system ensures proper water flow and control of excess

water during periods of rain, which is essential to preservation and protection of private property. Together the maintenance and servicing of the streets and storm drain system contributes to a specific enhancement of each of the parcels within the District and the absence of adequate maintenance and servicing of the District improvements could eventually have a negative impact on properties within the District.

Although the improvements may include public streets and storm drain facilities that connect to similar facilities outside the District boundaries, it is clear that the construction and installation of these improvements were only necessary for the development of properties within the District. As such, these improvements were not required nor necessarily desired by any properties or developments outside the District boundary and any public access or use of the improvements by others is incidental. Therefore, it has been determined that the ongoing maintenance, servicing and operation of the District improvements provide no measurable general benefit to properties outside the District or to the public at large, but clearly provide distinct and special benefits to properties within the District. Any improvement or portion thereof (particularly off-site storm drain facilities) that may be considered general benefit shall be funded by other revenue sources and not included as part of the special benefit assessments allocated to properties within this District. However, the costs associated with installation or improvement of any off-site facilities that benefit the parcels within this District as well as other properties (shared benefit) may be allocated to the parcels within the District based on their proportional special benefit from such improvements.

5.3 Assessment Methodology

The costs associated with the improvements and services shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with the California Constitution Article XIID Section 4, 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 within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

The method of apportionment established for this District and described herein, reflects the proportional special benefit each property receives from the improvements and services based on the actual or proposed land use of that parcel as compared to other properties within the District based on similarities and differences in parcel land use.

5.3.1 EQUIVALENT BENEFIT UNITS:

To assess benefits equitably it is necessary to relate each property's proportional special benefits to the special benefits of the other properties within the District. The method of apportionment established for most districts formed under the 1982 Act utilizes a weighted method of apportionment known as an Equivalent Benefit Unit (EBU) methodology that uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Benefit Unit (EBU) and the other land uses are converted to a weighted EBU based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

Although the Equivalent Benefit Unit method of apportioning special benefit is most commonly used and applied to districts that have a wide range of land use classifications (residential and non-residential use), this District is comprised of only residential properties and the following apportionment analysis of special benefit addresses only residential land uses. Not all land use types described in the following are necessarily applicable to the development of properties within this District, but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the District.

5.3.2 EBU APPLICATION BY LAND USE:

- (1) **Single-family Residential** — This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.0 EBU per lot or parcel. This is the base value that the other properties are compared and weighted against (i.e. Equivalent Benefit Unit “EBU”).
- (2) **Multi-family Residential** — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. (This land use typically includes apartments, duplexes, triplex etc., but does not generally include condominiums, town-homes or mobile-home parks). Based on average population densities and size of the structure as compared to a typical single-family residential unit, multi-family residential parcels shall be proportionately assessed for the parcel’s total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single-family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single-family residence (Sample Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition). These various studies indicate that most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases, the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by this District, an appropriate allocation of special benefit for multi-family residential properties as compared to a single-family residential property is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 50 units; 0.50 EBU per unit for units 51 through 100; and 0.25 EBU per unit for the remaining units.
- (3) **Condominium/Town-home Units** — Condominiums and town-homes tend to share attributes of both single-family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single-family residential properties, these properties are not usually considered rental property and generally, the County assigns each unit a separate APN or assessment number. However, condominiums and town-homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.75 EBU

per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to an APN. (There is no adjustment for parcels with more than five units).

- (4) **Planned-Residential Development** — This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the District. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a single APN). Each parcel that is part of the approved tract map shall be assessed proportionately for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single-family, condominium, multi-family units to be developed).
- (5) **Vacant Residential** — This land use is defined as property currently zoned for residential development, but a tentative or final tract map for the property has not yet been approved. Based upon the opinions of professional appraisers who appraise market property values for real estate in California, the land value portion of a property typically ranges from 20 to 30 percent of the total value of a developed residential property (the average is about 25 percent). Although the assessed value of an individual property is not a direct reflection of the property's special benefit, this general correlation between land value and structure value does provide a reasonable basis for apportioning special benefit for vacant residential properties. Utilizing this twenty-five percent (25%) apportionment and the number of single-family residential units typically developed per acre of land (an average of 4 residential units per acre) an Equivalent Benefit Unit of 1.0 EBU per acre (4 units per acre x 25%) is derived and presents an appropriate apportionment of special benefit for vacant residential properties. Recognizing that the full and timely utilization of vacant property is reduced as the size of the property increases, it has been determined that the maximum EBU assigned to a vacant residential parcel shall not exceed 25.0 EBU (parcels in excess of 25 acres are assigned 25.0 EBU). Parcels less than one acre, shall be assigned a minimum of 1.0 EBU (similar to a vacant lot within a residential tract).
- (6) **Exempt Parcels** — This land use identifies properties that are not assessed and are assigned 0.0 EBU. 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 including open space areas, utility rights-of-way, greenbelts, parkways, parks or other publicly owned properties that are part of the District improvements or may provide other benefits to private properties within the District.;
 - Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use.

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment, but shall be reviewed annually by the assessment engineer to confirm the parcels current development status. Government owned properties or public

properties are not necessarily exempt properties and shall be subject to special benefit assessment unless it qualifies for an exempt status.

- (7) **Special Cases** — In many districts where multiple land use classifications are involved, there are usually one or more properties for which the standard land use classifications do not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a Vacant Residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel.

The following table provides a summary of land use classifications and the Equivalent Benefit Unit calculations previously outlined.

Property Type	Equivalent Benefit Units	Multiplier
Single-family Residential	1.00	Per Unit/Lot/Parcel
Multi-family Residential	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Condominium/Townhome Units	0.75	Per Unit
Planned Residential Development	1.00	Per Planned SF Residential Lot
	0.75	Per Planned Condominium
	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Vacant Residential Land	1.00	Per Acre
Exempt Parcels	0.00	Per Parcel

The following formula is used to calculate each parcel's EBU (proportional benefit).

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of Equivalent Benefit Units (EBU's) is the sum of the individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of the parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

$$\begin{aligned} \text{Total Balance to Levy} / \text{Total EBU} &= \text{Levy per EBU} \\ \text{Levy per EBU} \times \text{Parcel EBU} &= \text{Parcel Levy Amount} \end{aligned}$$

5.4 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 (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, the notice and assessment ballots presented to the property owners for approval included a maximum assessment amount for fiscal year 2005/2006 (initial maximum assessment), identification of the corresponding maximum assessment rate and a summary of the Assessment Range Formula described herein.

The Assessment Range Formula for this District shall be applied to the future assessments and is generally defined:

- If the proposed annual assessment (levy per EBU) for the upcoming fiscal year is less than or equal to the adjusted Maximum Assessment Rate, then the proposed annual assessment is not considered an increased assessment.
- The Maximum Assessment Rate is equal to the (Initial) Maximum Assessment Rate established for Fiscal Year 2005/2006 adjusted annually by the greater of, three percent (3%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-San Jose Area from February to February. The Maximum Assessment rate was increased by 3.00% for Fiscal Year 2021/22.

Beginning with Fiscal Year 2006/2007 and each fiscal year thereafter, the Maximum Assessment Rate has been recalculated and a new Maximum Assessment Rate established for the fiscal year utilizing the Assessment Range Formula described above. The Maximum Assessment Rate is calculated independent of the District's annual budget and proposed assessment. The annual percentage change in CPI is based on available data provided by the U.S. Department of Labor; Bureau of Labor Statistics at the time the annual Report is prepared. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living. In January 2018, BLS introduced a new geographic area sample for the CPI. As part of the change the index for this area was renamed from San Francisco-Oakland-San Jose to San Francisco-Oakland-Hayward. The metropolitan area is comprised of Alameda, Contra Costa, Marin, San Francisco, San Mateo Counties in the State of California. This CPI will be used going forward.

Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the method of apportionment that increase the proportional special benefit assigned to a particular land use classification would be considered an increased assessment. Conversely, reductions in the proportional special benefit assigned to a land use classifications is permitted. Changes in land use or size of an individual property resulting in an assessment increase, is not considered an increased assessment.

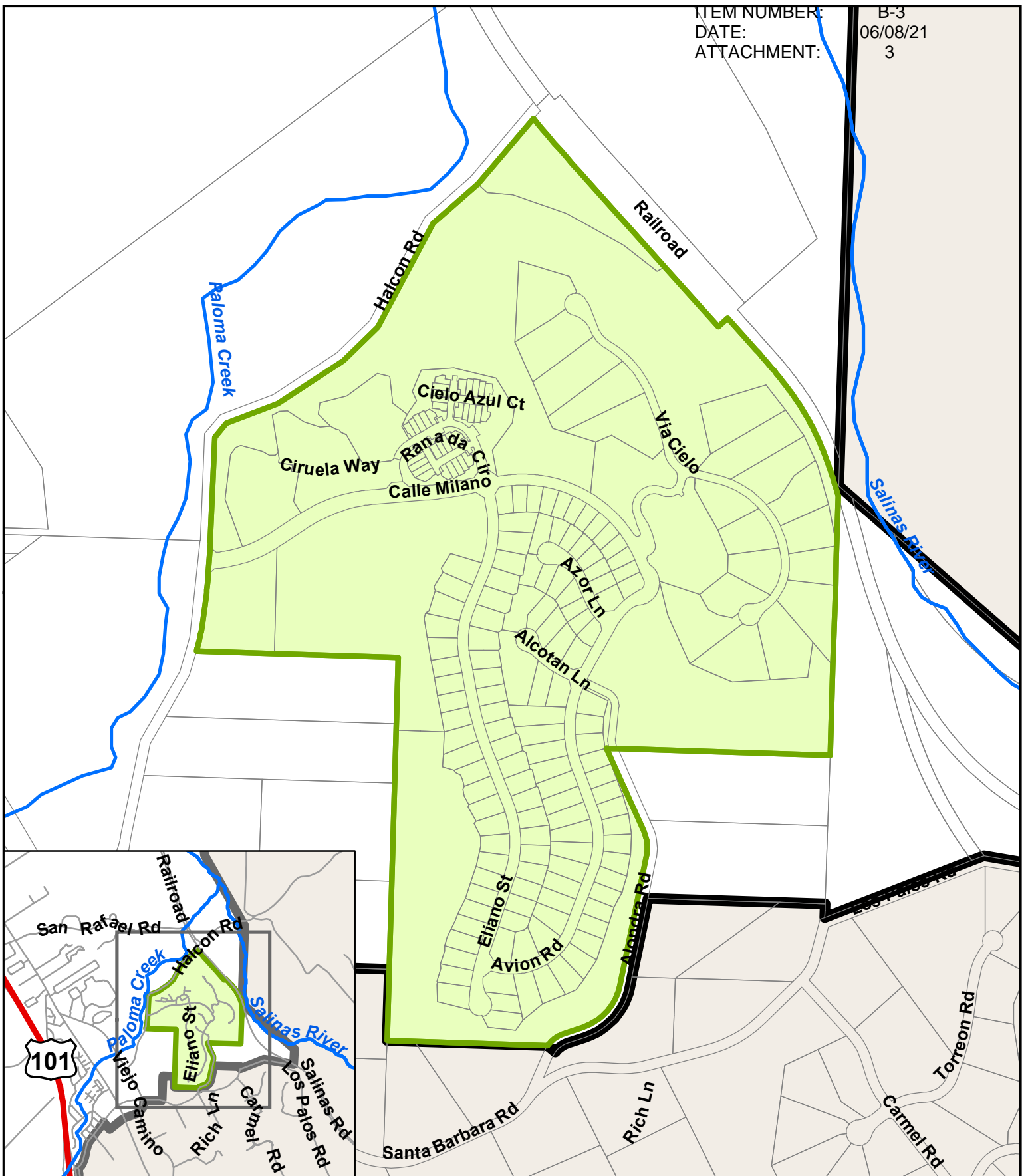
To impose a new or increased assessment other than the annual inflationary adjustment provided by the preceding Assessment Range Formula, the City must comply with the provisions of the California Constitution Article XIID Section 4c, that requires a public hearing and certain protest procedures including

mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve a proposed new or increased assessment before such an assessment may be imposed.

6. ASSESSMENT DIAGRAM

The parcels within the Street and Storm Drain Maintenance District No. 02 Las Lomas (Woodridge) consist of the lots, parcels and subdivisions of land located in the residential development known as Las Lomas (Woodridge), Tract 2525-1. The District covers approximately one hundred and eleven acres (111.20 acres) in the southeast portion of the City of Atascadero.

The following map is based on the District Diagram, the San Luis Obispo County Assessor's Maps and the San Luis Obispo County Assessor's information and identifies the parcels of land within the proposed District, as the same existed at the time the District was formed. The combination of the District Diagram on file with the City Clerk and the Assessment Roll contained in this Report constitute the District Assessment Diagram.



CITY OF ATASCADERO

LAS LOMAS

Street and Storm Drain Maintenance District No. 2

Landscaping and Lighting District No. 2



7. ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District is based on the Assessment Diagram presented herein and is based on available parcel maps and property data from the San Luis Obispo County Assessor's Office at the time the Engineer's Report was prepared. A listing of the proposed lots and parcels to be assessed within this District along with the assessment amounts is provided herein.

Non-assessable lots or parcels may include but are not limited to public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas, right-of-ways, common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has little or no value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

City of Atascadero

Street & Storm Drain Maintenance No. 2 Final Billing Detail Report for Fiscal Year 2021/22

ITEM NUMBER: B-3
DATE: 06/08/21
ATTACHMENT: 3

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-311-014	\$7,232.38	\$14,439.55
045-311-015	10,105.80	20,176.36
045-311-016	8,099.30	16,170.34
045-312-001	407.00	812.58
045-312-002	407.00	812.58
045-312-003	407.00	812.58
045-312-004	407.00	812.58
045-312-005	407.00	812.58
045-312-006	407.00	812.58
045-312-007	407.00	812.58
045-312-008	407.00	812.58
045-312-009	407.00	812.58
045-312-010	407.00	812.58
045-312-011	407.00	812.58
045-312-012	407.00	812.58
045-312-013	407.00	812.58
045-312-014	407.00	812.58
045-312-015	407.00	812.58
045-312-016	407.00	812.58
045-312-017	407.00	812.58
045-312-018	407.00	812.58
045-312-019	407.00	812.58
045-312-020	407.00	812.58
045-312-021	407.00	812.58
045-312-022	407.00	812.58
045-312-023	407.00	812.58
045-312-024	407.00	812.58
045-312-025	407.00	812.58
045-312-026	407.00	812.58
045-312-027	407.00	812.58
045-312-028	407.00	812.58
045-312-029	407.00	812.58
045-312-030	407.00	812.58
045-312-031	407.00	812.58
045-312-032	407.00	812.58
045-312-033	407.00	812.58
045-312-034	407.00	812.58
045-312-035	407.00	812.58
045-312-036	407.00	812.58
045-312-037	407.00	812.58
045-312-038	407.00	812.58
045-312-039	407.00	812.58

ITEM NUMBER: B-3
DATE: 06/08/21
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City of Atascadero

Street & Storm Drain Maintenance No. 2

Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-312-040	407.00	812.58
045-312-041	407.00	812.58
045-312-042	407.00	812.58
045-312-043	407.00	812.58
045-312-044	407.00	812.58
045-312-045	407.00	812.58
045-312-046	407.00	812.58
045-312-047	407.00	812.58
045-312-048	407.00	812.58
045-312-049	407.00	812.58
045-312-050	407.00	812.58
045-312-051	407.00	812.58
045-312-052	407.00	812.58
045-312-053	407.00	812.58
045-312-054	407.00	812.58
045-312-055	407.00	812.58
045-312-056	407.00	812.58
045-313-001	407.00	812.58
045-313-002	407.00	812.58
045-313-003	407.00	812.58
045-313-004	407.00	812.58
045-313-005	407.00	812.58
045-313-006	407.00	812.58
045-313-007	407.00	812.58
045-313-008	407.00	812.58
045-313-009	407.00	812.58
045-313-010	407.00	812.58
045-313-011	407.00	812.58
045-313-012	407.00	812.58
045-313-013	407.00	812.58
045-313-014	407.00	812.58
045-313-015	407.00	812.58
045-313-018	407.00	812.58
045-313-019	407.00	812.58
045-313-020	407.00	812.58
045-313-021	407.00	812.58
045-313-026	407.00	812.58
045-313-027	407.00	812.58
045-314-001	407.00	812.58
045-314-002	407.00	812.58
045-314-003	407.00	812.58
045-314-004	407.00	812.58

City of Atascadero
Street & Storm Drain Maintenance No. 2
Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-314-005	407.00	812.58
045-314-006	407.00	812.58
045-314-007	407.00	812.58
045-314-008	407.00	812.58
045-314-009	407.00	812.58
045-314-010	407.00	812.58
045-314-011	407.00	812.58
045-314-012	407.00	812.58
045-314-013	407.00	812.58
045-314-014	407.00	812.58
045-314-015	407.00	812.58
045-314-016	407.00	812.58
045-314-017	407.00	812.58
045-314-018	407.00	812.58
045-314-019	407.00	812.58
045-314-020	407.00	812.58
045-314-021	407.00	812.58
045-314-022	407.00	812.58
045-314-023	407.00	812.58
045-314-024	407.00	812.58
045-314-025	407.00	812.58
045-314-026	407.00	812.58
045-314-027	407.00	812.58
045-314-028	407.00	812.58
045-314-029	407.00	812.58
045-314-030	407.00	812.58
045-314-031	407.00	812.58
045-314-032	407.00	812.58
045-314-033	407.00	812.58
045-315-001	407.00	812.58
045-315-002	407.00	812.58
045-315-003	407.00	812.58
045-315-004	407.00	812.58
045-315-005	407.00	812.58
045-315-006	407.00	812.58
045-315-007	407.00	812.58
045-315-008	407.00	812.58
045-315-009	407.00	812.58
045-315-010	407.00	812.58
045-315-011	407.00	812.58
045-315-012	407.00	812.58
045-315-013	407.00	812.58

City of Atascadero
Street & Storm Drain Maintenance No. 2
Final Billing Detail Report for Fiscal Year 2021/22

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-315-014	407.00	812.58
045-315-015	407.00	812.58
045-315-016	407.00	812.58
045-315-017	407.00	812.58
045-315-018	407.00	812.58
045-315-019	407.00	812.58
045-315-020	407.00	812.58
045-315-021	407.00	812.58
045-315-022	407.00	812.58
045-315-023	407.00	812.58
045-315-024	407.00	812.58
045-315-025	407.00	812.58
045-315-026	407.00	812.58
045-315-027	407.00	812.58
045-315-028	407.00	812.58
045-315-029	407.00	812.58
045-315-030	407.00	812.58
045-315-031	407.00	812.58
045-315-032	407.00	812.58
045-315-033	407.00	812.58
045-316-041	305.24	609.44
045-316-042	305.24	609.44
045-316-043	305.24	609.44
045-316-044	305.24	609.44
045-316-045	305.24	609.44
045-316-046	305.24	609.44
045-316-047	305.24	609.44
045-316-048	305.24	609.44
045-316-049	305.24	609.44
045-316-050	305.24	609.44
045-316-051	305.24	609.44
045-316-052	305.24	609.44
045-316-053	305.24	609.44
045-316-054	305.24	609.44
045-316-055	305.24	609.44
045-316-056	305.24	609.44
045-316-057	305.24	609.44
045-316-058	305.24	609.44
045-316-059	305.24	609.44
045-316-060	305.24	609.44
045-316-061	305.24	609.44
045-316-062	305.24	609.44

City of Atascadero

Street & Storm Drain Maintenance No. 2

Final Billing Detail Report for Fiscal Year 2021/22

ITEM NUMBER: B-3
DATE: 06/08/21
ATTACHMENT: 3

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-316-063	305.24	609.44
045-316-064	305.24	609.44
045-316-065	305.24	609.44
045-316-066	305.24	609.44
045-316-067	305.24	609.44
045-316-068	305.24	609.44
045-316-069	305.24	609.44
045-316-070	305.24	609.44
045-316-071	305.24	609.44
045-316-072	305.24	609.44
045-316-073	305.24	609.44
045-316-074	305.24	609.44
045-316-075	305.24	609.44
181 Accounts	\$94,321.88	\$188,315.43

DRAFT RESOLUTION C

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, APPROVING THE FINAL ENGINEER'S
REPORT REGARDING THE LANDSCAPING AND LIGHTING
DISTRICT NO. 02 (WOODRIDGE); AND THE LEVY AND COLLECTION
OF ANNUAL ASSESSMENTS RELATED THERETO IN
FISCAL YEAR 2021/2022**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as the "City Council"), pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code, did by previous Resolution order the Engineer, NBS, to prepare and file a report in accordance with Article 4 of Chapter 1 of Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500, in connection with the proposed levy for Landscaping and Lighting District No. 02 (Woodridge) (hereafter referred to as the "District") and the collection of assessments related thereto for the fiscal year starting July 1, 2021 and ending June 30, 2022; and

WHEREAS, the Engineer has prepared and filed with the City Clerk of the City of Atascadero and the City Clerk has presented to the City Council such report entitled "Engineer's Annual Levy Report for the Landscaping and Lighting District No. 02 (Woodridge), fiscal year 2021/2022" (hereafter referred to as the "Engineer's Report") in accordance with the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 (hereafter referred to as the "Act"); and

WHEREAS, the City Council has carefully examined and reviewed the Engineer's Report as presented, and is satisfied with the items and documents as set forth therein, and finds that the levy of assessments has been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed, as set forth in said Engineer's Report.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Engineer's Report as presented, consists of the following:

- a) Plans and specifications that describe the District and Improvements.
- b) Method of Apportionment that outlines the special benefit conferred on properties within the District from the improvements and the calculations used to establish each parcel's proportional special benefit assessment as well as a description of the assessment range formula that establishes the maximum assessment rate in subsequent fiscal years.
- c) The Budget that outlines the costs and expenses to service, and maintain the improvements including incidental expenses authorized by the Act to operate the District.
- d) An Assessment Diagram that identifies the boundaries of the District.

e) An Assessment Roll containing each of the Assessor Parcel Numbers that comprise the District and the proportional maximum assessment and annual assessment for fiscal year 2021/2022.

SECTION 3. The Engineer's Report as presented, is hereby approved, and is ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the adoption and approval of the Engineer's Report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

DRAFT RESOLUTION D

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND
COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2021/2022 FOR
LANDSCAPING AND LIGHTING DISTRICT NO. 02 (WOODRIDGE)**

WHEREAS, the City Council of the City of Atascadero, California (hereafter referred to as City Council) has by previous Resolutions initiated proceedings and declared its intention to levy special benefit assessments against parcels of land within the Landscaping and Lighting District No. 02 (Woodridge) (hereafter referred to as the "District") for fiscal year 2021/2022, said fiscal year commencing July 1, 2021 and ending June 30, 2022; pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereinafter referred to as the "Act") to pay the costs and expenses of operation, maintenance, repair and servicing of local landscaping, street lighting and appurtenant facilities related thereto; and

WHEREAS, the Engineer selected by the City Council has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council an Engineer's Report in connection with the proposed levy of special benefit assessments upon eligible parcels of land within the District, and the City Council did by previous Resolution adopt and approve said Engineer's Report; and

WHEREAS, the City Council desires to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2021 and ending June 30, 2022, to pay the costs and expenses of operation, maintenance, repair and servicing of local landscaping, street lighting, and appurtenant facilities related thereto; and

WHEREAS, the City and its legal counsel have reviewed Proposition 218 and found that these assessments comply with applicable provisions of Section XIID of the California State Constitution.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. Following notice duly given, the City Council has held a full and fair Public Hearing regarding its Resolution approving the Engineer's Report prepared in connection with the levy and collection of assessments, and considered the oral and written statements, protests and communications made or filed by interested persons.

SECTION 2. Based upon its review of the Engineer's Report, a copy of which has been presented to the City Council and which has been filed with the City Clerk, the City Council hereby finds and determines that:

a) The land within District will receive special benefit by the operation, maintenance and servicing of improvements to be provided by the District.

b) The net amount to be assessed upon the lands within the District is in accordance and apportioned by a formula and method which fairly distributes the net amount among the eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 3. The City Council hereby orders the proposed improvements to be made, which improvements are briefly described as the maintenance, operation, administration and servicing of the improvements that may include, but is not limited to local street lights, landscaping, parks and open space areas within the District and appurtenant facilities related thereto.

SECTION 4. The maintenance, operation and servicing of improvements shall be performed pursuant to the Act and the County Auditor of San Luis Obispo County shall enter on the County Assessment Roll opposite each parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City.

SECTION 5. The City shall deposit the money representing assessments collected by the County for the District to the credit of a fund for the Landscaping and Lighting District No. 02 (Woodridge), and such money shall be expended for the maintenance, operation and servicing of the improvements as described in the Engineers Report and generally described in Section 3 of this Resolution.

SECTION 6. The adoption of this Resolution constitutes the levy of assessments for the fiscal year commencing July 1, 2021 and ending June 30, 2022.

SECTION 7. The City Clerk or their designee is hereby authorized and directed to file the levy with the County Auditor, per Sections 22645-22647 of the Act, upon adoption of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

CITY OF ATASCADERO

Fiscal Year 2021/22 Engineer's Report For:

Landscaping and Lighting District

District No. 02 Las Lomas (Woodridge)

May 2021

Prepared by:



CITY OF ATASCADERO
Landscaping & Lighting District No. 02
Las Lomas (Woodridge)

6500 Palma Avenue
Atascadero, CA 93422
Phone – (805) 461-5000
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CITY COUNCIL

Heather Moreno, Mayor

Heather Newsom, Mayor Pro Tem

Charles Bourbeau, Council Member

Mark Dariz, Council Member

Susan Funk, Council Member

AGENCY STAFF

Rachelle Rickard, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Danielle Wood, Client Services Director

Adina McCargo, Project Manager

Miranda Ray, Administrator

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1. ENGINEER'S LETTER

WHEREAS, on March 24, 2005 by Resolution No. 2005-051, the City Council of the City of Atascadero (the "City"), State of California, in accordance with and pursuant to the Landscape and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500 (the "1972 Act")) established the City of Atascadero Landscaping and Lighting District No. 02 Las Lomas (Woodridge) (the "District"); and

WHEREAS, on May 11, 2021 the City Council, under the 1972 Act, adopted its Resolution Initiating Proceedings for the Annual Levy of Assessments and Ordering the Preparation of an Engineer's Report for the District; and

WHEREAS, the Resolution Initiating Proceedings directed NBS to prepare and file a report describing the general nature, location, and extent of the improvements to be maintained; an estimate of the costs of the maintenance, operations, and servicing of the improvements for the District for the referenced fiscal year; a diagram for the District, showing the area and properties to be assessed; and an assessment of the estimated costs of the administration, maintenance, operations, and servicing the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the District in proportion to the special benefit received. The following table summarizes the proposed assessment for Fiscal Year 2021/22:

FY 2021/22 Budget Summary

Description	Total Costs	Costs Not Assessed	Proposed Assessment	Total Benefit Units	Maximum Rate	Proposed Rate Per BU
Annual Maintenance	\$91,750	\$2,250	\$89,500			
Special Project	5,000	0	5,000			
Administration	6,370	0	6,370			
Capital Reserve Collections/(Use)	14,567	250	14,317			
Levy Adjustments	(50,671)	(2,500)	(48,211)			
Total	\$66,976	\$0	\$66,976	231.75	\$2,017.85	\$289.00

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information, and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed, and levied in accordance with the assessment methodology adopted, approved, and ordered by the City Council of the City of Atascadero and the 1972 Act.

City Engineer

2. EXECUTIVE SUMMARY

Pursuant to the provisions of the Landscaping and *Lighting Act of 1972*, being *Part 2 of Division 15* of the *California Streets and Highways Code*, commencing with *Section 22500* (hereafter referred to as the “1972 Act”), and in compliance with the substantive and procedural requirements of the California State Constitution Article XIID (hereafter referred to as “Article XIID”), the City Council of the City of Atascadero, County of San Luis Obispo, State of California (hereafter referred to as “City”), executed the proceedings required for the establishment of the special benefit assessment district designated as:

Landscaping and Lighting District No. 02 Las Lomas (Woodridge)

(hereafter referred to as the “District”), which includes the lots and parcels of land within the residential subdivision known as Las Lomas (Woodridge), Tract 2525-1 within the City limits of the City. This Engineer’s Report (hereafter referred to as the “Report”) has been prepared in connection with the levy and collection of annual assessments related thereto for Fiscal Year 2021/22, as required pursuant to Chapter 1, Article 4 of the 1972 Act.

The City Council formed the District, and provided for the levy and collection of annual assessments on the County tax rolls to provide ongoing funding for the costs and expenses required to service and maintain the landscaping and lighting improvements associated with and resulting from the development of properties within the District. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1972 Act and the substantive and procedural provisions of Article XIID.

This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements. The annual assessments will provide a funding source for the continued operation and maintenance of public landscaping and lighting improvements installed in connection with the development of properties within the District.

The improvements and assessments described in this Report are based on the planned development of properties within the District and represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the improvements. The boundaries of the District, the proposed improvements, the method of apportionment, and assessments described herein are based on current development plans and specifications for Tract 2525-1; and by reference these plans and specifications are made part of this Report.

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

As part of the District formation, the City of Atascadero conducted a Property Owner Protest Ballot proceeding for the proposed levy of a new assessment pursuant to the provisions of the California Constitution, Article XIID Section 4. In conjunction with this ballot proceeding, the City Council conducted a noticed public hearing on May 24, 2005 to consider public testimonies, comments and written protests regarding the formation of the District and levy of assessments. Upon conclusion of the public hearing, property owner protest ballots received were opened and tabulated to determine whether majority protest

existed (ballots were weighted based on assessment amounts), and by resolution the City Council confirmed the results of the ballot tabulation. Tabulation of the ballots indicated that majority protest did not exist for the proposed assessments and the assessment range formula presented and described herein, the City Council approved the Report (as submitted or amended), ordered the formation of the District, and approved the levy and collection of assessments. The assessments for Fiscal Year 2005/2006 were submitted to the San Luis Obispo County Auditor/Controller for inclusion on the property tax roll for each parcel.

Each subsequent fiscal year, an Engineer's Report shall be prepared and presented to the City Council describing the District any changes to the District or improvements and the proposed budget and assessments for that fiscal year and the City Council shall hold a noticed public hearing regarding these matters prior to approving and ordering the proposed levy of assessments. If the proposed assessments for the District exceed the maximum assessment described herein (as approved by the property owners), the new or increased assessment must be confirmed through another property owner protest ballot proceeding before such an assessment may be imposed. It should be noted that an increased assessment to an individual property resulting from changes in development or land use does not constitute an increased assessment.

3. PLANS AND SPECIFICATIONS

3.1 Description of the District

The territory within the District consists of the lots, parcels and subdivisions of land within the residential subdivision known as the Las Lomas (Woodridge), Tract 2525-1, which encompasses an area of land totaling approximately one hundred and eleven acres (111.20 acres).

This residential subdivision includes one hundred forty-three (143) single-family residential units; thirty-five (35) condominium/senior housing units; and a single one hundred (100) unit multi-family residential project at build-out. Due to parcel splits the multi-family residential project is spread over three parcels. The planned subdivision is situated in the southeast portion of the City of Atascadero and is generally located:

- South and east of Halcon Road;
- East of Highway 101 and El Camino Real
- South and west of the Southern Pacific Railroad Tracks; and
- North of Salinas Road and Santa Cruz Road

3.2 Improvements and Services Authorized by the 1972 Act

As generally defined by the 1972 Act and applicable to this District, the improvements and associated assessments may include one or more of the following:

- 1) The installation or planting of landscaping;
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities;
- 3) The installation or construction of public lighting facilities including, but not limited to street lights and traffic signals;
- 4) 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;
- 5) The installation of park or recreational improvements, including, but not limited to, all of the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts, and public restrooms.
- 6) The acquisition of land for park, recreational, or open-space purposes or any existing improvement otherwise authorized pursuant to this section.
- 7) The maintenance or servicing, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement including but not limited to:
 - a) Repair, removal, or replacement of all or any part of any improvements;
 - b) Grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls,

- sidewalks, or paving, or water, irrigation, drainage, or electrical facilities;
- c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
 - d) The removal of trimmings, rubbish, debris, and other solid waste;
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti;
 - f) Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements;
 - g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 8) Incidental expenses associated with the improvements including, but not limited to:
- a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices;
 - c) Compensation payable to the County for collection of assessments;
 - d) Compensation of any engineer or attorney employed to render services;
 - e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
 - f) Costs associated with any elections held for the approval of a new or increased assessment.

3.3 Description of Improvements and Services

The purpose of this District is to ensure the ongoing maintenance, operation and servicing of local landscaping and street lighting improvements established or installed in connection with development of properties within the District. The improvements may consist of all or a portion of the public landscaped areas, street lighting and appurtenant facilities within and adjacent to the District (Tract 2525-1). These improvements generally include, but are not limited to the materials, equipment, utilities, labor, appurtenant facilities and expenses necessary for the ongoing maintenance and operation of public street lighting as well as landscaped parkways, medians, slopes, trails, park areas, drainage basins, open space areas and other designated easements or right-of-ways constructed and installed as part of the development plans and agreements approved for the development of each lot and parcel within the District. The improvements to be maintained and funded entirely or partially through the District assessments are generally described as:

- Streetscape landscaping including street trees located on the perimeter of the development and interior streets of Tract 2525-1 that are within the public right-of-ways or easements and dedicated to the City for maintenance;
- Open space areas and fuel modification areas within or adjacent to the District boundaries;
- Park areas, recreational equipment, trails and landscaped drainage facilities developed and constructed as part of developing properties within Tract 2525-1;

- Public lighting facilities including street lighting, safety lighting and ornamental lighting installed as part of the residential development or landscaped improvement areas
- Appurtenant facilities, equipment, materials and utilities related to the aforementioned improvements;
- Specifically not included as District improvements are those improvements located on private property, improvements and facilities that may be provided or maintained by an agency other than the City; improvements and facilities that may be provide by another assessment or tax levied by the City or any improvement provided and maintained by a Homeowner's Association or similar entity.

Detailed maps and descriptions of the location and extent of the specific improvements to be maintained by the District are on file in the Office of Public Works and by reference are made part of this Report. Those portions of the District improvements that may be identified as general benefit or will be funded in whole or in part by other revenue sources as part of the approved development agreements, will not be included as part of the District assessments. The net annual cost to provide and maintain the improvements determined to be of special benefit shall be allocated to each property in proportion to the special benefits received.

3.3.1 LANDSCAPE IMPROVEMENTS

The landscape improvements for the District may include, but are not limited to turf, ground cover, shrubs and plants, trees, irrigation and drainage systems, ornamental lighting, masonry walls or other fencing, hardscape improvements, monuments, and associated appurtenant facilities located within the landscape easements or public right-of-ways. Specifically, the landscape improvement areas for this District are identified as:

- Approximately 34,420 square feet of streetscape landscaping and trees within the public right-of-ways along or adjacent to Halcon Road, Calle Milano, Via Cielo and Eliano Street including but not limited to approximately 27,200 square feet of parkway landscaping and 7,220 square feet of median landscaping;
- Approximately 220,850 square feet (5.07 acres) of landscaped slope areas within the District boundaries and adjacent to the residential properties, open space areas, drainage basins and streets of Tract 2525-1;
- Approximately 175,550 square feet (4.03 acres) of landscaped area in and around the two (2) drainage basins within Tract 2525-1;
- Approximately 106,460 square feet of non-irrigated open space area within the District;
- Approximately 1,981,980 square feet of non-irrigated open space area within the boundaries of the District associated with the development of the residential properties within Tract 2525-1;
- Approximately 225 street trees located within the public right-of-ways of the streets within Tract 2525-1 including but not limited to Calle Milano, Via Cielo, Eliano Street, Avion Road, Azor Lane and Alcotan Lane;
- Approximately 1,910 square feet of paths and trails, 45,265 square feet sidewalks and 6,100 linear feet of fencing within and adjacent to the various landscape improvement areas.

3.3.2 PUBLIC LIGHTING IMPROVEMENTS

The lighting improvements may include but are not limited to the cost of providing electrical energy and servicing of lighting fixtures, poles, meters, conduits, electrical cable and associated appurtenant facilities

associated with:

- There are five (5) public streetlights currently planned for Tract 2525-1. These streetlights are located on Calle Milano between Halcon Road and Eliano Street (The entryway to the residential properties within the District);
- Lighting facilities may also include but are not limited to safety lights, security lights or ornamental lights located within the various landscape improvement areas installed as part of the District's landscape improvements.

4. ESTIMATE OF COSTS

BUDGET	Total Budget	Costs Not Assessed	2021/2022 Assessment
DIRECT COSTS			
Annual Costs			
Landscape Services	\$70,000	(2,250)	\$67,750
Landscape Supplies	2,000	0	2,000
Landscape Utilities	6,000	0	6,000
City Landscape Services	11,250	0	11,250
Other Maintenance Services	2,500	0	2,500
Total Annual Direct Costs	\$91,750	(\$2,250)	\$89,500
CAPITAL EXPENDITURES			
Special Projects	\$5,000	\$0	\$5,000
Total Annual Special Projects	\$5,000	\$0	\$5,000
ADMINISTRATION EXPENSES			
Annual Administration Expenses			
City Annual Administration	\$1,380	\$0	\$1,380
Engineer's Report & Services	4,480	0	4,480
Public Noticing	510	0	510
Total Administration	\$6,370	\$0	\$6,370
TOTAL DIRECT & ADMINISTRATION COSTS	\$103,120	(\$2,250)	\$100,870
CAPITAL RESERVE COLLECTIONS/(USES)			
Landscape Rehabilitation/Replacement	\$3,128	\$0	\$3,128
Median Rehabilitation/Replacement	138	0	138
Open Space Rehabilitation/Replacement	1,000	(250)	750
Tree Rehabilitation/Replacement	5,806	0	5,806
Slope Rehabilitation/Replacement	3,754	0	3,754
Other Rehabilitation/Replacement	741	0	741
Total Annual Capital Reserve Collections/(Uses)	\$14,567	(\$250)	\$14,317
LEVY ADJUSTMENTS			
Interest Income - Improvement Fund	(\$1,860)	\$0	(\$1,860)
Interest Income - Operating Reserve Fund	(1,340)	0	(1,340)
Contribution from Other Sources	(2,500)	(2,500)	0
Reserve Collection/(Use)	(45,011)	0	(45,011)
Total Levy Adjustments	(\$50,711)	(\$2,500)	(\$48,211)
BALANCE TO LEVY	\$66,976	\$0	\$66,976
DISTRICT STATISTICS			
Total Parcels			191
Parcels Levied			181
Total EBU ⁽¹⁾			231.75
Levy per EBU			\$289.00
Maximum Levy per EBU			\$2,017.85
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance			\$44,285
Operational Reserve Interest			1,340
Surplus Transfer from Improvement Fund			63,114
Operational Reserve Collection (Use)			(48,211)
Estimated Ending Operating Reserve Balance			\$60,528
Beginning Improvement Fund Balance			\$130,842
Improvement Fund Interest			1,860
Surplus Transfer to Operations Fund			(63,114)
Improvement Fund Collection/(Use)			14,571
Estimated Ending Improvement Fund Balance			\$84,159

⁽¹⁾ Levy per EBU rate does not include the County of San Luis Obispo fee of \$2.00 per parcel

5. METHOD OF ASSESSMENT

5.1 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:

“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 method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices and have been established pursuant to the 1972 Act and the provisions of Article XIID. The formulas used for calculating assessments reflects the composition of parcels within the District and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

5.2 Benefit Analysis

Each of the proposed improvements, the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the 1972 Act and Article XIID. The improvements provided by this District and for which properties will be assessed have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the development plans and applicable portions of the City General Plan. 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 a distinct and special benefit to the properties within the District. Any improvement or portion thereof that is considered to be of general benefit shall be funded by other revenue sources and not included as part of the special benefit assessments allocated to properties within the District.

5.2.1 SPECIAL BENEFIT

The method of apportionment (method of assessment) established herein is based on the premise that each assessed parcel within the District receives special benefits from the improvements and the desirability and security of those properties is enhanced by the presence of public lighting and well-maintained landscaping in close proximity to those properties.

The special benefits associated with landscape improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area and properties.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space 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 District resulting from well-maintained improvements associated with the properties.
- Enhanced quality of life through well-maintained green space and landscaped areas.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District 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 and other public lighting facilities 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, streets and public areas.
- 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.

The preceding special benefits contribute to the esthetic value and desirability of each of the assessed parcels within the District and thereby provide a special enhancement of the properties. Furthermore, it has been determined that the lack of funding to properly service and maintain the District improvements would have a negative impact on the properties within the District.

5.2.2 GENERAL BENEFIT

In reviewing each of the District improvements, the proximity of those improvements to both properties within the District and those outside the District as well as the reasons for installing and constructing such improvements, it is evident that the improvements are solely the result of developing properties within the District and the ongoing maintenance and operation of these improvements will directly affect the properties within the District. Although the improvements include public areas, easements, right-of-ways and other amenities available or visible to the public at large, the construction and installation of these improvements (except portions of the open space areas) were only necessary for the development of properties within the District and were not required nor necessarily desired by any properties or developments outside the District boundary and any public access or use of the improvements by others is incidental. Therefore, it has been determined that the improvements and the ongoing maintenance, servicing and operation of those improvements provide no measurable general benefit to properties outside

the District or to the public at large, but clearly provide distinct and special benefits to properties within the District. With respect to the open space areas, these areas are an integral part of property development within the District and clearly provide a direct and special benefit those properties. However, it is also recognized that the majority of this open space area is located on the perimeter of the District and is directly accessible from surrounding properties and the public at large. Therefore, it has been determined that up to twenty-five percent (25%) of the costs to maintain this area shall be allocated as general benefit and not assessed as part of the District's special benefit assessments

5.3 Assessment Methodology

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

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 Article XIID Section 4, 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 within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

To identify and determine the special benefit to be received by each parcel and their proportionate share of the improvement costs it is necessary to consider the entire scope of the planned improvements as well as individual property development within the District. Upon review of the proposed improvements it has been determined that each of the residential parcels within the District receives special benefits from the improvements to be funded by annual assessments and based on the planned property development a single zone of benefit is appropriate for the allocation of the assessments and proportional benefit.

5.3.1 EQUIVALENT BENEFIT UNITS:

To assess benefits equitably it is necessary to relate each property's proportional special benefits to the special benefits of the other properties within the District. The method of apportionment established for most districts formed under the 1972 Act utilizes a weighted method of apportionment known as an Equivalent Benefit Unit methodology that uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Benefit Unit (EBU) and the other land uses are converted to a weighted EBU based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

Although the Equivalent Benefit Unit method of apportioning special benefit is most commonly used and applied to districts that have a wide range of land use classifications (residential and non-residential use), this District is comprised of only residential properties and the following apportionment analysis of special benefit addresses only residential land uses. Not all land use types described in the following are necessarily applicable to the development of properties within this District, but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the District.

5.3.2 EBU APPLICATION BY LAND USE:

- (1) **Single-family Residential** — This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.00 EBU per lot or parcel. This is the base value that the other properties are compared and weighted against regarding special benefit (i.e. Equivalent Benefit Unit “EBU”).
- (2) **Multi-family Residential** — This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. (This land use typically includes apartments, duplexes, triplex etc., but does not generally include condominiums, town-homes or mobile home parks). Based on average population densities and size of the structure as compared to a typical single-family residential unit, multi-family residential parcels shall be proportionately assessed for the parcel’s total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single-family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single-family residence (Sample Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition). These various studies indicate that most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by this District, an appropriate allocation of special benefit for multi-family residential properties as compared to a single-family residential is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 50 units; 0.50 EBU per unit for units 51 through 100; and 0.25 EBU per unit for remaining units.
- (3) **Condominium/Town-home Units** — Condominiums and town-homes tend to share attributes of both single-family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single-family residential properties, these properties are not usually considered rental property and generally, the County assigns each unit a separate APN or assessment number. However, condominiums and town-homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.75 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to an APN. (There is no adjustment for parcels with more than five units).
- (4) **Planned-Residential Development** — This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the District. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a

single APN). Each parcel that is part of the approved tract map shall be assessed proportionately for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single-family, condominium, multi-family units to be developed).

- (5) **Vacant Residential** — This land use is defined as property currently zoned for residential development, but a tentative or final tract map for the property has not yet been approved. Based upon the opinions of professional appraisers who appraise market property values for real estate in California, the land value portion of a property typically ranges from 20 to 30 percent of the total value of a developed residential property (the average is about 25 percent). Although the assessed value of an individual property is not a direct reflection of the property's special benefit, this general correlation between land value and structure value does provide a reasonable basis for apportioning special benefit for vacant residential properties. Utilizing this twenty-five percent (25%) apportionment and the number of single-family residential units typically developed per acre of land (an average of 4 residential units per acre) an Equivalent Benefit Unit of 1.00 EBU per acre (4 units per acre x 25%) is derived and presents an appropriate apportionment of special benefit for vacant residential properties. Recognizing that the full and timely utilization of vacant property is reduced as the size of the property increases, it has been determined that the maximum EBU assigned to a vacant residential parcel shall not exceed 25.00 EBU (parcels in excess of 25 acres are assigned 25.00 EBU). Parcels less than one acre, shall be assigned a minimum of 1.00 EBU (similar to a vacant lot within a residential tract).
- (6) **Exempt Parcels** — This land use identifies properties that are not assessed and are assigned 0.00 EBU. 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 including open space areas, utility rights-of-way, greenbelts, parkways, parks or other publicly owned properties that are part of the District improvements or may provide other benefits to private properties within the District;
 - Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use;

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment, but shall be reviewed annually by the assessment engineer to confirm the parcels' current development status. Government owned properties or public properties are not necessarily exempt properties and shall be subject to special benefit assessment unless it qualifies for an exempt status.

- (7) **Special Cases** — In many districts where multiple land use classifications are involved, there are usually one or more properties for which the standard land use classifications do not accurately identify the special benefits received from the improvements. For example, a parcel

may be identified as a Vacant Residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel

The following table provides a summary of land use classifications and the Equivalent Benefit Unit calculations previously outlined.

Property Type	Equivalent Benefit Units	Multiplier
Single-family Residential	1.00	Per Unit/Lot/Parcel
Multi-family Residential	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Condominium/Townhome Units	0.75	Per Unit
Planned Residential Development	1.00	Per Planned SF Residential Lot
	0.75	Per Planned Condominium
	0.75	Per Unit for the First 50 Units
	0.50	Per Unit for Units 51-100
	0.25	Per Unit for all Remaining Units
Vacant Residential Land	1.00	Per Acre
Exempt Parcels	0.00	Per Parcel

The following formula is used to calculate each parcel's EBU (proportional benefit).

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of Equivalent Benefit Units (EBU's) is the sum of the individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of the parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

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

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

5.4 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 (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, the notice and

assessment ballots presented to the property owners for approval included a maximum assessment amount for Fiscal Year 2005/2006 (initial maximum assessment), identification of the corresponding maximum assessment rate and a summary of the Assessment Range Formula described herein.

The Assessment Range Formula for this District shall be applied to future assessments and is generally defined:

- If the proposed annual assessment (levy per EBU) for the upcoming fiscal year is less than or equal to the adjusted Maximum Assessment Rate, then the proposed annual assessment is not considered an increased assessment.
- The Maximum Assessment Rate is equal to the (Initial) Maximum Assessment Rate established for Fiscal Year 2005/2006 adjusted annually by the greater of, three percent (3%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-Hayward Area from February to February. The Maximum Assessment rate was increased by 3.00% for Fiscal Year 2021/22.

Beginning with Fiscal Year 2006/2007 and each fiscal year thereafter, the Maximum Assessment Rate has been recalculated and a new Maximum Assessment Rate is established for the fiscal year utilizing the Assessment Range Formula described above. The Maximum Assessment Rate is calculated independent of the District's annual budget and proposed assessment. The annual percentage change in CPI is based on available data provided by the U.S. Department of Labor; Bureau of Labor Statistics at the time the annual Report is prepared. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living. In January 2018, BLS introduced a new geographic area sample for the CPI. As part of the change the index for this area was renamed from San Francisco-Oakland-San Jose to San Francisco-Oakland-Hayward. The metropolitan area is comprised of Alameda, Contra Costa, Marin, San Francisco and San Mateo Counties in the State of California. This CPI has and will be used in all subsequent reports or until such time there is a revision per the BLS and approval from the City Council.

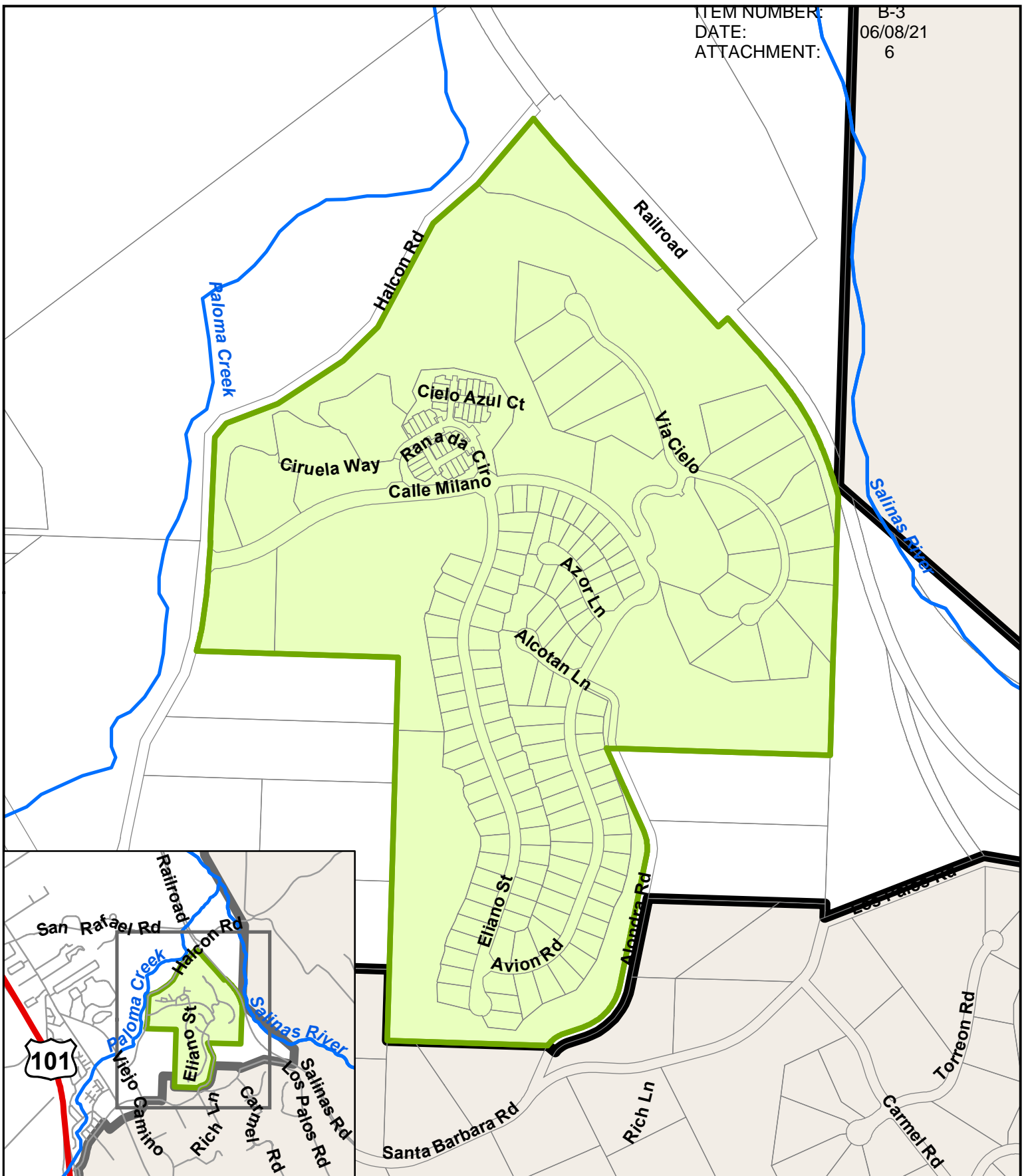
Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the method of apportionment that increase the proportional special benefit assigned to a particular land use classification would be considered an increased assessment. Conversely, reductions in the proportional special benefit assigned to a land use classifications are permitted. Changes in land use or size of an individual property resulting in an assessment increase, is not considered an increased assessment.

To impose a new or increased assessment other than the annual inflationary adjustment provided by the preceding Assessment Range Formula, the City must comply with the provisions of Article XIID Section 4c, that requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve a proposed new or increased assessment before such an assessment may be imposed.

6. ASSESSMENT DIAGRAM

The parcels within the Landscaping and Lighting District No. 02 Las Lomas (Woodridge) consist of the lots, parcels and subdivisions of land located in the planned residential development known as Las Lomas (Woodridge), Tract 2525-1. The District covers approximately one hundred and eleven acres (111.20 acres) in the southeast portion of the City of Atascadero.

The following map is based on the District Diagram, the San Luis Obispo County Assessor's Maps and the San Luis Obispo County Assessor's information and identifies the parcels of land within the proposed District, as the same existed at the time the District was formed. The combination of the District Diagram on file with the City Clerk and the Assessment Roll contained in this Report constitute the District Assessment Diagram.



CITY OF ATASCADERO

LAS LOMAS

Street and Storm Drain Maintenance District No. 2

Landscaping and Lighting District No. 2



7. ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District is based on the Assessment Diagram presented herein and is based on available parcel maps and property data from the San Luis Obispo County Assessor's Office at the time the Engineer's Report was prepared. A listing of the lots and parcels to be assessed within this District along with the assessment amounts is provided herein.

Non-assessable lots or parcels may include, but are not limited to public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas, right-of-ways, common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has little or no value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

The following is a list of the parcels and assessment amounts for each of the parcels within the District as determined by the assessment rates and method of apportionment described herein.

City of Atascadero
Landscaping & Lighting Maint Dist No. 2
Final Billing Detail Report for Fiscal Year 2021/22

ITEM NUMBER: B-3
DATE: 06/08/21
ATTACHMENT: 6

Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-311-014	\$5,135.52	\$35,857.33
045-311-015	7,175.86	50,103.40
045-311-016	5,751.10	40,155.36
045-312-001	289.00	2,017.85
045-312-002	289.00	2,017.85
045-312-003	289.00	2,017.85
045-312-004	289.00	2,017.85
045-312-005	289.00	2,017.85
045-312-006	289.00	2,017.85
045-312-007	289.00	2,017.85
045-312-008	289.00	2,017.85
045-312-009	289.00	2,017.85
045-312-010	289.00	2,017.85
045-312-011	289.00	2,017.85
045-312-012	289.00	2,017.85
045-312-013	289.00	2,017.85
045-312-014	289.00	2,017.85
045-312-015	289.00	2,017.85
045-312-016	289.00	2,017.85
045-312-017	289.00	2,017.85
045-312-018	289.00	2,017.85
045-312-019	289.00	2,017.85
045-312-020	289.00	2,017.85
045-312-021	289.00	2,017.85
045-312-022	289.00	2,017.85
045-312-023	289.00	2,017.85
045-312-024	289.00	2,017.85
045-312-025	289.00	2,017.85
045-312-026	289.00	2,017.85
045-312-027	289.00	2,017.85
045-312-028	289.00	2,017.85
045-312-029	289.00	2,017.85
045-312-030	289.00	2,017.85
045-312-031	289.00	2,017.85
045-312-032	289.00	2,017.85
045-312-033	289.00	2,017.85
045-312-034	289.00	2,017.85
045-312-035	289.00	2,017.85
045-312-036	289.00	2,017.85
045-312-037	289.00	2,017.85
045-312-038	289.00	2,017.85
045-312-039	289.00	2,017.85
045-312-040	289.00	2,017.85
045-312-041	289.00	2,017.85
045-312-042	289.00	2,017.85
045-312-043	289.00	2,017.85
045-312-044	289.00	2,017.85
045-312-045	289.00	2,017.85
045-312-046	289.00	2,017.85
045-312-047	289.00	2,017.85

City of Atascadero
Landscaping & Lighting Maint Dist No. 2
Final Billing Detail Report for Fiscal Year 2021/22

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Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-312-048	289.00	2,017.85
045-312-049	289.00	2,017.85
045-312-050	289.00	2,017.85
045-312-051	289.00	2,017.85
045-312-052	289.00	2,017.85
045-312-053	289.00	2,017.85
045-312-054	289.00	2,017.85
045-312-055	289.00	2,017.85
045-312-056	289.00	2,017.85
045-313-001	289.00	2,017.85
045-313-002	289.00	2,017.85
045-313-003	289.00	2,017.85
045-313-004	289.00	2,017.85
045-313-005	289.00	2,017.85
045-313-006	289.00	2,017.85
045-313-007	289.00	2,017.85
045-313-008	289.00	2,017.85
045-313-009	289.00	2,017.85
045-313-010	289.00	2,017.85
045-313-011	289.00	2,017.85
045-313-012	289.00	2,017.85
045-313-013	289.00	2,017.85
045-313-014	289.00	2,017.85
045-313-015	289.00	2,017.85
045-313-018	289.00	2,017.85
045-313-019	289.00	2,017.85
045-313-020	289.00	2,017.85
045-313-021	289.00	2,017.85
045-313-026	289.00	2,017.85
045-313-027	289.00	2,017.85
045-314-001	289.00	2,017.85
045-314-002	289.00	2,017.85
045-314-003	289.00	2,017.85
045-314-004	289.00	2,017.85
045-314-005	289.00	2,017.85
045-314-006	289.00	2,017.85
045-314-007	289.00	2,017.85
045-314-008	289.00	2,017.85
045-314-009	289.00	2,017.85
045-314-010	289.00	2,017.85
045-314-011	289.00	2,017.85
045-314-012	289.00	2,017.85
045-314-013	289.00	2,017.85
045-314-014	289.00	2,017.85
045-314-015	289.00	2,017.85
045-314-016	289.00	2,017.85
045-314-017	289.00	2,017.85
045-314-018	289.00	2,017.85
045-314-019	289.00	2,017.85
045-314-020	289.00	2,017.85

City of Atascadero
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Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-314-021	289.00	2,017.85
045-314-022	289.00	2,017.85
045-314-023	289.00	2,017.85
045-314-024	289.00	2,017.85
045-314-025	289.00	2,017.85
045-314-026	289.00	2,017.85
045-314-027	289.00	2,017.85
045-314-028	289.00	2,017.85
045-314-029	289.00	2,017.85
045-314-030	289.00	2,017.85
045-314-031	289.00	2,017.85
045-314-032	289.00	2,017.85
045-314-033	289.00	2,017.85
045-315-001	289.00	2,017.85
045-315-002	289.00	2,017.85
045-315-003	289.00	2,017.85
045-315-004	289.00	2,017.85
045-315-005	289.00	2,017.85
045-315-006	289.00	2,017.85
045-315-007	289.00	2,017.85
045-315-008	289.00	2,017.85
045-315-009	289.00	2,017.85
045-315-010	289.00	2,017.85
045-315-011	289.00	2,017.85
045-315-012	289.00	2,017.85
045-315-013	289.00	2,017.85
045-315-014	289.00	2,017.85
045-315-015	289.00	2,017.85
045-315-016	289.00	2,017.85
045-315-017	289.00	2,017.85
045-315-018	289.00	2,017.85
045-315-019	289.00	2,017.85
045-315-020	289.00	2,017.85
045-315-021	289.00	2,017.85
045-315-022	289.00	2,017.85
045-315-023	289.00	2,017.85
045-315-024	289.00	2,017.85
045-315-025	289.00	2,017.85
045-315-026	289.00	2,017.85
045-315-027	289.00	2,017.85
045-315-028	289.00	2,017.85
045-315-029	289.00	2,017.85
045-315-030	289.00	2,017.85
045-315-031	289.00	2,017.85
045-315-032	289.00	2,017.85
045-315-033	289.00	2,017.85
045-316-041	216.74	1,513.39
045-316-042	216.74	1,513.39
045-316-043	216.74	1,513.39
045-316-044	216.74	1,513.39

City of Atascadero
Landscaping & Lighting Maint Dist No. 2
Final Billing Detail Report for Fiscal Year 2021/22

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Assessor's Parcel Number	Fiscal Year 2021/2022 Assessment	Fiscal Year 2021/2022 Max Assessment
045-316-045	216.74	1,513.39
045-316-046	216.74	1,513.39
045-316-047	216.74	1,513.39
045-316-048	216.74	1,513.39
045-316-049	216.74	1,513.39
045-316-050	216.74	1,513.39
045-316-051	216.74	1,513.39
045-316-052	216.74	1,513.39
045-316-053	216.74	1,513.39
045-316-054	216.74	1,513.39
045-316-055	216.74	1,513.39
045-316-056	216.74	1,513.39
045-316-057	216.74	1,513.39
045-316-058	216.74	1,513.39
045-316-059	216.74	1,513.39
045-316-060	216.74	1,513.39
045-316-061	216.74	1,513.39
045-316-062	216.74	1,513.39
045-316-063	216.74	1,513.39
045-316-064	216.74	1,513.39
045-316-065	216.74	1,513.39
045-316-066	216.74	1,513.39
045-316-067	216.74	1,513.39
045-316-068	216.74	1,513.39
045-316-069	216.74	1,513.39
045-316-070	216.74	1,513.39
045-316-071	216.74	1,513.39
045-316-072	216.74	1,513.39
045-316-073	216.74	1,513.39
045-316-074	216.74	1,513.39
045-316-075	216.74	1,513.39
181 Accounts	\$66,975.38	\$467,638.52

Slight variances may occur due to rounding



Atascadero City Council

Staff Report – City Manager’s Office

Atascadero Tourism Business Improvement District Confirmation of Annual Assessment (Fiscal Year 2021-2022)

RECOMMENDATION:

Council adopt Draft Resolution confirming the annual assessment for the Atascadero Tourism Business Improvement District (Fiscal Year 2021-2022).

DISCUSSION:

The City of Atascadero established the Atascadero Tourism Business Improvement District (ATBID) to levy annual assessments under the Parking and Business Improvement Area Law of 1989, by adopting Title 3, Chapter 16 of the Atascadero Municipal Code in April 2013. The activities to be funded by the assessments, on lodging businesses within the ATBID, are tourism promotions and marketing programs to promote the City as a tourism destination. The formation and operation of a Tourism Business Improvement District is governed by the California Streets & Highways Code (Section 36500 et. Seq.).

The City Council appointed ATBID Advisory Board Members to serve at the pleasure of the Council. The Advisory Board is made up of lodging business owners or employees, or other representatives holding the written consent of a lodging business owner within the ATBID area. Lodging owners are assessed (2%) of the rent charged by the business per occupied room or space per night for transient occupancies.

There has been a slow recovery in from COVID-19. This slow recovery has negatively affected the local economy and reduced income to the lodging industry over the past 15 months. As a result, the ATBID fund has experienced these reductions in revenue. As we work to reopen the economy and tourism starts to return, estimates of the increase to revenue will continue to be revised, but as of the writing of this report, staff projects that assessment revenue for fiscal year 2020-21 will be \$248,780, down 23.9% from the budgeted revenue and up 10.8% from 2019-20 actual assessment revenue. Staff projects that assessment revenue for fiscal year 2021-22 will be \$292,320, up 18% over fiscal year 2020-21. Expenditures for fiscal year 2020-21 are expected to come in under budget by about \$177,740, or about 56% of budget. Budgeted expenditures for fiscal year 2021-22 are projected to be \$308,540.

The Streets and Highways Code requires that the Advisory Board provide a report to the City Council annually for the expenditure of funds derived from the assessment paid by lodging businesses within the City. The annual report must meet the requirements of the California Streets and Highway Code §36533. The Council received and approved the annual report at its May 25, 2021 meeting. After the approval of the report, the City Council is required to hold a public hearing. The purpose of the public hearing is to receive public comment prior to the assessment being collected.

Following the public hearing, it is staff's recommendation that the Council adopt the proposed Resolution. Adoption of the Resolution constitutes the levying of the assessment.

FISCAL IMPACT:

Annual assessments for 2021-2022 are expected to be approximately \$292,320 and will be assessed as 2% of the rent charged on the occupied rooms and spaces for transient occupancies.

ALTERNATIVES:

The City Council may direct staff to amend the Resolution before adoption.

ATTACHMENT:

Draft Resolution

DRAFT RESOLUTION

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, CONFIRMING ATASCADERO TOURISM BUSINESS IMPROVEMENT DISTRICT (ATBID) ASSESSMENT FOR FISCAL YEAR 2021-2022

WHEREAS, the City of Atascadero established the Atascadero Tourism Business Improvement District (ATBID) consistent with Section 36500 et seq. of the Streets and Highways Code of the State of California; and

WHEREAS, the City Council has determined to set the assessment at two percent (2%) of the rent charged by the Business per occupied room or space per night for transient occupancies; and

WHEREAS, the purpose of this assessment is to provide tourism promotions and marketing programs to promote the City as a tourism destination pursuant to the Streets & Highways Code of the State of California; and

WHEREAS, the City Council, having received the annual report from the ATBID, adopted Resolution No. 2021-031, declaring intent to levy annual ATBID assessment pursuant to Section 36534 of the California Streets and Highways Code; and

WHEREAS, the City Council did fix a time and place for a public hearing on the levy of the proposed assessment for fiscal year 2021-2022; and

WHEREAS, on June 8, 2021, the City Council conducted a public hearing at the date and time for such purpose; and

WHEREAS, the City Council did not receive the required number of protests for the levy of such assessment.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The City Council of the City of Atascadero does hereby confirm the assessment at two percent (2%) of the rent charged by the Business per occupied room or space per night for transient occupancies.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 8th day of June, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney



Atascadero City Council

Staff Report – City Manager’s Office

Downtown Parking and Business Improvement Area Confirmation of Annual Assessment (FY 2021-2022)

RECOMMENDATION:

Council adopt Draft Resolution confirming the annual assessment for the Downtown Parking and Business Improvement Area (Fiscal Year 2021-2022).

DISCUSSION:

The City of Atascadero established a Downtown Parking and Business Improvement Area in 1986 (Chapter 11 of the Atascadero Municipal Code) for the purpose of *acquisition, construction or maintenance of parking facilities, decoration of public places, promotion of public events, and general promotion of business activities in the downtown area*. The formation and operation of a Business Improvement Area is governed by the California Streets and Highways Code (Section 36500 et. seq.). The Code requires the City to levy and collect the assessments, the City Council to adopt an annual Resolution of Intention declaring the City’s intent to levy an annual Downtown Parking and Business Improvement Area assessment, and hold a public hearing confirming the assessment. The City Council adopted a draft Resolution of Intention on May 25, 2021 and set a public hearing for June 8, 2021 to receive public comment.

The Downtown Parking and Business Improvement Area (BIA) assessment was reduced to \$0.00 starting in the 2009/2010 fiscal year at the behest of downtown landlords as part of a program to encourage downtown businesses. In January 2018, staff was approached by an informal group of downtown business owners, who expressed interest in reinstituting the full levy of the assessment for the BIA. The full levy of the assessment is equal to 100 percent of the business license fee, essentially doubling the business license fee, and is charged to businesses located in the BIA.

In 2019, the City entered into an agreement with the Atascadero Chamber of Commerce. The Chamber of Commerce serves as the advisory body and the sub-contractor to the City regarding the DPBIA. The informal committee of downtown business owners advises the Chamber of Commerce on expenditures and assists in the creation of the annual budget. As part of the contract, the Chamber provides an annual accounting of expenditures for the BIA funds.

The Chamber has submitted a report, which was provided to the Council at the May 25, 2021 meeting and is Exhibit A to the proposed Resolution confirming the assessment. The Downtown Parking and Business Improvement Area assessments collected by the City are estimated at approximately \$12,750 annually. The recommended action would confirm the assessment and collection of these funds for downtown revitalization activities for 2021/2022. The Chamber of Commerce is proposing expenditures for 2021/2022 with the Downtown Parking and Business Improvement Area funds as follows:

BIA Funds requested for 2021/2022	\$ 12,750
Carry over from 2020/2021	\$ 1,730
BIA Cash Balance 02/28/21	\$ 13,088
Estimated revenue from events	\$ 1,000
Total Proposed Funding Available	<u>\$ 28,568</u>

2021/2022 Proposed Expenditures:

Events	\$12,000
Beautification/Miscellaneous	\$12,000
Marketing	\$ 2,068
Administration	<u>\$ 2,500</u>
Total Proposed Expenditures for 2021/2022	<u>\$28,568</u>

Fund Residual \$ 0

There are three events held in the Downtown to help promote the downtown and strengthen the businesses in the area. One of these events, Taco Day on Traffic Way, has historically generated income for the committee through ticket sales. Income from this event is again anticipated in the 2021/2022 fiscal year in the amount of \$1,000. This revenue will be collected directly by the committee and/or the Chamber of Commerce.

The City will collect funds for the Downtown Parking and Business Improvement Area along with business license fees in December and January.

FISCAL IMPACT:

Adopting the staff recommendation will result in the collection of approximately \$12,750 and expenditure of \$14,480 in budgeted DPBIA funds.

ALTERNATIVES:

1. The City Council may choose not to adopt the Resolution, confirming the levy of the assessment as recommended, and discontinue the levy.
2. The City Council may grant Downtown Parking and Business Improvement Area assessment funds in an amount lower than requested.

ATTACHMENT:

Draft Resolution

DRAFT RESOLUTION

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, CONFIRMING DOWNTOWN PARKING AND BUSINESS IMPROVEMENT AREA ASSESSMENT FOR FISCAL YEAR 2021-2022

WHEREAS, the City of Atascadero established a Downtown Parking and Business Improvement Area (DBPIA) consistent with Section 36500 et seq. of the Streets and Highways Code of the State of California; and

WHEREAS, Section 36533 of the Streets & Highway Code of the State of California requires a report to be filed with the City prior to the levy and collection of the assessment; and

WHEREAS, the City Council determined in 2010 to set the assessment at \$0.00 to provide a stimulus to downtown businesses in this time of unprecedented economic downturn, eliminating the need for a report in accordance with Section 36533 of the Streets & Highway Code of the State of California; and

WHEREAS, the City Council reinstituted the full levy of the assessment for the DPBIA in 2018 at the request of downtown businesses; and

WHEREAS, the City has entered into an agreement with the Chamber of Commerce, which serves as the advisory body and the sub-contractor to the City regarding the DPBIA; and

WHEREAS, an informal committee of downtown business owners advises the Chamber of Commerce on expenditures and assists in the creation of the annual budget; and

WHEREAS, the Atascadero Chamber of Commerce filed a report with the City in accordance with Section 36533 of the Streets & Highway Code of the State of California attached hereto and incorporated herein by this reference; and

WHEREAS, the City Council having received the report adopted Resolution No. 2021-032 declaring intent to levy annual Downtown Parking and Business Improvement Area assessment pursuant to Section 36534 of said code; and

WHEREAS, the City Council did fix a time and place for a public hearing on the levy of the proposed assessment for fiscal year 2021-2022; and

WHEREAS, on June 8, 2021, the City Council conducted a public hearing at the date and time for such purpose; and

WHEREAS, the City Council did not receive the required number of protests for the levy of such assessment.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. The City Council of the City of Atascadero does hereby confirm approval of the Section 36533 Report as originally filed and confirmation of approval of such report constitutes the levy of an assessment for fiscal year 2021-2022, pursuant to the Streets and Highways Code of the State of California.

SECTION 2. The Atascadero Chamber of Commerce is hereby designated to receive and manage, with direction from the downtown businesses, Downtown Parking and Business Improvement Area assessment funds for fiscal year 2021-2022.

SECTION 3. The City Council directs staff to make appropriations in the City's budget in accordance with such report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the ____ day of ____, 2021.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Brian Pierik, City Attorney

Exhibit A

Atascadero Chamber of Commerce Downtown Parking and Business Improvement Area Annual Report for Fiscal Year 2021-2022

The California Streets and Highways Code Section 36533 requires the preparation of a report for each fiscal year for which assessments are to be levied and collected to pay the costs of improvements and activities of the Improvement Area. The report may propose changes, including, but not limited to the boundaries of the parking and business improvement area or any benefit zones within the area, the basis and method of levying the assessments, and any changes in the classification of businesses.

No boundary changes are proposed for Fiscal Year 2021-2022. The boundaries are more specifically described as follows:

From the south corner of Morro Road at the Highway 101 over-crossing then in the generally northwest direction immediately adjacent to Highway 101, to a point at the intersection of El Camino Real and Rosario Avenue, then easterly along Rosario Avenue, to a point at the intersection of Rosario and Palma Avenue, then easterly along Palma Avenue to the rear lot line of parcels on the east side of Traffic Way, then north along said rear lot lines to include Lot 24 of Block LA, of Atascadero, then northerly along the center line of Traffic Way, to a point, then easterly to include the presently existing National Guard Armory Property. Then to a point easterly to the intersection of West Mall and Santa Ysabel Avenue at the West Mall bridge, then southerly along Santa Ysabel Avenue to a point at the intersection of the southerly leg of Hospital Drive and Santa Ysabel Avenue, then easterly from that point to the extension of proposed Highway 41, then southwesterly to the Morro Road/Highway 101 over-crossing, point of beginning.

Since 2000, the City, Community Redevelopment Agency, Chamber of Commerce, other organizations and the community have worked to strengthen the downtown business community, and implement the downtown revitalization strategy. In 2009, as the economic downturn was affecting businesses, the City Council made the decision to levy a \$0 assessment on the businesses in the District. The State of California dissolved all redevelopment agencies in 2011, and the City, Chamber of Commerce, and other organizations have worked in collaboration to continue the efforts of the Community Redevelopment Agency to provide better services to and strengthen the businesses in the downtown.

In 2017, an informal committee of downtown business owners formed to promote economic vitality and encourage business growth in the downtown. This committee will advise the Chamber of Commerce on expenditures and will assist in the creation of the annual budget for the Downtown Parking and Business Improvement Area (DPBIA). The Atascadero Chamber of Commerce will serve as the advisory body and the

sub-contractor to the City regarding the Downtown Parking and Business Improvement Area. The Chamber of Commerce is requesting that the City levy an assessment of 100% of the business license fee for businesses in the DPBIA. Each licensed business in the Improvement Area shall contribute to the assessment. Activities and improvements in the DPBIA are funded by the assessment.

The proposed work plan and budget for Fiscal Year 2021/2022 is as follows:

BIA Funds requested for 2021/2022	\$ 12,750
Carry over from 2020/2021	\$ 1,730
BIA Cash Balance 02/28/21	\$ 13,088
Estimated revenue from events	<u>\$ 1,000</u>
Total Proposed Funding	<u>\$ 28,568</u>

2021/2022 Proposed Expenditures:

Events	\$12,000
Beautification/Miscellaneous	\$12,000
Marketing	\$ 2,068
Administration	<u>\$ 2,500</u>
Total Proposed Expenditures for 2021/2022	<u>\$28,568</u>

<i>Fund Residual</i>	\$ 0
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This report shall be filed with the City Clerk on behalf of the DPBIA for Fiscal Year 2021-2022.



Atascadero City Council

Staff Report – Administrative Services Department

2021-2023 Operating and Capital Budget

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution adopting the budgets for the 2021-2022 and 2022-2023 fiscal years and delegating to the City Manager the authority to implement same.
2. Adopt Draft Resolution amending fiscal year 2020-2021 budget.
3. Adopt Draft Resolution adopting the fiscal year 2021-2022 annual spending limit.
4. Adopt Draft Resolution reaffirming the necessity of Development Impact Fees.
5. Approve the 2021-2023 City of Atascadero Draft Action Plan implementing Council Goals.

REPORT-IN-BRIEF:

The budget for fiscal years 2021-2022 and 2022-2023 was reviewed by the Finance Committee during six public meetings held in April and May. Included in the budget document is the Budget Message, which provides a detailed analysis of the budget philosophy and process, trends and changes to service levels, and the key priorities for the next two years. Also included in the document are the Draft Resolutions adopting the proposed 2021-2023 budget, amending the 2020-2021 budget, adopting the 2021-2022 annual spending limit and reaffirming the necessity of Development Impact Fees.

FISCAL IMPACT:

The total revenues for all funds are budgeted at \$48,051,980 and \$51,035,620 for fiscal years 2021-2022 and 2022-2023, respectively. Total expenditures for all funds are budgeted at \$63,220,890 and \$59,475,030 for fiscal years 2021-2022 and 2022-2023, respectively.

ATTACHMENTS:

1. The City of Atascadero Draft Budget for fiscal years 2021-2022 and 2022-2023 may be viewed online at www.atascadero.org/budget or by appointment in the Office of the City Clerk. Also included in the document are the Draft Resolutions adopting the proposed 2021-2023 budget, amending the 2020-2021 budget, adopting the 2021-2022 annual spending limit, and reaffirming the necessity of Development Impact Fees.)
2. 2021-2023 City of Atascadero Draft Action Plan

Atascadero Draft Budget for fiscal years 2021-2022 and 2022-2023

The City of Atascadero Draft Budget for fiscal years 2021-2022 and 2022-2023 may be viewed online at www.atascadero.org/budget or by appointment in the Office of the City Clerk.



CITY OF ATASCADERO

Action Plan Draft

Modified: 4/8/2021

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Strategic Priorities

Through a process of discovery and collaboration between council members and staff, the City of Atascadero identified four strategic priorities for the upcoming strategic plan:

- **Economic and Community Vibrancy**
- **Fiscal and Infrastructure Efficiency & Sustainability**
- **Ensuring Public Safety and Providing Exceptional City Services**
- **Quality of Life**



ECONOMIC AND COMMUNITY VIBRANCY

Definition

Creating the environment and services to nurture quality and diverse economic, recreational, and community connections that create prosperity and enrich our genuine, authentic community.

Key Focus Area: Recreation & Events

Notes to consider

- *Communal: Events & Shared Experiences/Connections (Events)*
- *Recreation/Zoo/Hiking/Trails/Parks*

Year 1-2 Action Items

- Restart events
- Plan and execute events at the new Zoo event center
- Design events around new plaza
- Hold new/recurring events in Centennial plaza to ensure the space is shared by all in the community
- Encourage events on privately owned vacant properties downtown (interim until developed)
- Encourage more events that focus on downtown (Music, Food, Host a stage)

Beyond Year 2 Action Items

- Expand hiking/trails and park amenities
- Look for opportunities to build more contiguous trails- build off the trails we have, plan for future
- Trails/open space/hiking - facilitate new trail connections associated w/new developments
- Explore opportunities to acquire new open space
- Evaluate zoning code and city policies as part of General Plan Update to encourage private development of recreational, hospitality & resort-type development
- Restart discussion w/owners of Eagle Ranch property (interest in resort-type land use near 101)



Key Focus Area: Downtown

Notes to consider

- *Thriving downtown (people want to come to / infrastructure / shovel-ready / outdoors / Completion of downtown improvements / collaboration w/ businesses)*
- *Upzoning/Mixed-Use/Potential incentives*

Year 1-2 Action Items

- Pursue funding and complete construction documents for Downtown Infrastructure Enhancement Plan
- Assist development of new restaurants
 - Explore ways to reduce start-up costs
- Maximize utilization of the plazas (food trucks, etc)
- Look for funding and opportunities to fix existing street trees & sidewalks in the downtown
- Pursue opportunities along East Mall
 - Develop land use options for the adapted re-use options of the City-owned property near Centennial Plaza
- Explore programs such as infrastructure assistance, parking flexibility, and zoning changes to promote new desired development of underutilized space
- Promote the preservation of the theater in Colony square
- Pursue the Armory site as a potential location for replacement of fire station #1
- Develop and implement a plan to increase utilization of parking in City-owned alleys
- Communicate collaboratively with businesses to encourage a sense of pride, ownership, positive attitude, and harmony that promotes downtown vibrancy

Beyond Year 2 Action Items

- Complete downtown infrastructure enhancement plan
- Consider upzoning/Mixed-Use/Potential incentives as part of the General Plan Update
- Engage property owners and tenants to encourage compatible development of vacant lots
- Explore incentives and code revisions to expedite the relocation of nonconforming uses and the occupancy of vacant buildings downtown
- Develop the creek into a quality aesthetic feature to be enjoyed by all
- Alleviate downtown bird nuisance



Key Focus Area: Safe & Hospitable Business / Work Environment

Notes to consider

- *Connectivity throughout the community (physical spaces)*
- *Support Infrastructure to attract businesses (broadband, restaurants open late, all-night coffee shops, class A office space)*
- *Built Business Infrastructure - safe & hospitable/welcoming environment & spaces*
- *Constructive engagement with those experiencing homelessness*
 - *Tie to mental health support*
- *Supportive engagement by businesses*
- *Commercial nodes & corridors outside downtown*

Year 1-2 Action Items

- Work to enhance broadband infrastructure
- Evaluate areas for restricted time parking
- Expand the Outreach for Underrepresented Residents (OUR)Team
- Increase pedestrian safety/access downtown through the Downtown Infrastructure Enhancement Plan
- Commence citywide General Plan update

Beyond Year 2 Action Items

- Continue to facilitate enhancement of broadband system
- Enhance streetscape in strategic locations to support business development
- Complete General Plan Update and begin implementation strategies



Key Focus Area: Business Infrastructure, Technology & Support

Notes to consider

- *Additional commercial nodes/Economically diverse city*
- *Internal processes - business-friendly - permitting, etc.*
- *Business retention, expansion & prospecting*
- *Entrepreneurial support/business incubators*
- *Broadband*

Year 1-2 Action Items

- Creatively support development at Del Rio, Dove Creek & San Anselmo nodes
- Implement an online payment and tracking system for City fees and tax payments
- Discuss potential policies related to wastewater capacity charges and other development fees that may discourage desired business types
- Look for opportunities and grants to fund infrastructure
- Create and incentivize a new customer satisfaction survey for permit/planning processes
- Support expansion of Bridgeworks through SB1090
- Update City Engineering Standards to provide safe and consistent public improvements
- Perform critical third-party review of permitting process towards essentialism
- Explore Community Choice Energy (February 2022)

Beyond Year 2 Action Items

- ~~Perform critical third-party review of permitting process towards essentialism~~



FISCAL AND INFRASTRUCTURE EFFICIENCY & SUSTAINABILITY

Definition

Continuing to be responsible and accountable stewards of our resources now and into the future by efficiently and effectively investing in modern and reliable infrastructure and equipment and maintaining financial stability regardless of economic conditions.

Staff has the tools, technology and resources they need to do their jobs.

Key Focus Area: Asset Management / Replacement / Modernization

Notes to consider

- *Replace failing/vulnerable and vital equipment and facilities and citywide apparatus*
 - *Modernize*
 - *Optimization for replacement*
 - *Energy infrastructure (back-up generators, redundancy)*
- *Resources (tools, equipment, facilities) to assist staff/build capacity*
- *Infrastructure/asset management*
 - *Major equipment inventory & plan to where we can maintain cost-effectively*
 - *Proactive monitoring, assessing & evaluating infrastructure, equipment & vehicles*
 - *Look to quality & cost-effectiveness*

Year 1-2 Action Items

- Purchase and implement an asset management system
- Prepare a detailed inventory w/condition assessment
- Develop a sustainable replacement plan for City assets
- Begin funding vehicle, technology, equipment, infrastructure and facility reserves
- Replace failing/vulnerable and vital equipment and facilities and citywide apparatus
- Begin Replacement Fire station 1
 - Prepare needs assessment
 - Explore use of Armory site for Fire Station #1 replacement project
 - Complete design phase and engineers estimates
 - Prepare financing plan
- Ensure that the resources (tools, equipment, facilities) are available to assist staff and to build staff capacity.



- Identify and invest in equipment and facilities to increase long-term operational efficiencies
- Use technology where appropriate/right technology applications to save staff time
- Expand energy infrastructure (back-up generators, redundancy)
- Consider sidewalk repair amnesty or other limited assistance program

Beyond Year 2 Action Items

- Complete Replacement of Fire Station 1
- Completely fund equipment, vehicle, technology, infrastructure and facility reserves based on asset management plan

Key Focus Area: Financial Strategies

Notes to consider

- *Maintain/develop responsible reserves generally and for currently unfunded uses*
 - *Continue conservative Council/general fiscal strategy*
 - *Addressing unfunded mandates*
 - *Be prepared for changing economic conditions*
- *Invest modestly to achieve future efficiencies & benefits*
 - *Records management*
 - *Grants*
- *Public and private partnerships*
- *Consider and plan for lifecycle costs and long-term cost savings/cost-effectiveness*

Year 1-2 Action Items

- Develop responsible reserves for unfunded liabilities (non-asset)
 - Explore and consider funding Section 115 Trust for pension
 - Consider additional payments for unfunded pension liability (UAL)
 - Look for ways to fund reserve for future State and Federal mandates
- Adopt budgets and fiscal strategies that:
 - Continue conservative Council/general fiscal strategy
 - Prepare the City for changing economic conditions
 - Consider and plan for lifecycle costs and long-term cost savings/cost-effectiveness
- Develop balanced strategy of operational expenditures vs. capital/one-time expenditures that will accommodate future growth for Measure D-20 funds
- Implement opportunities, strategies and plans to grow the organization as the community grows



- Identify and modestly invest in programs to increase long-term operational efficiencies
- Capitalize on grant opportunities to accomplish action plan goals
- Explore public and private partnerships to achieve action plan goals

Beyond Year 2 Action Items

- Maintain responsible reserves for unfunded liabilities
- Continue fiscal strategies and adjust plans as needed to allow the City to respond to changes in a fiscally sustainable manner
- Establish Citywide primary survey benchmark system to reduce public works and technology staff time and to streamline development

Key Focus Area: Transparency & Accountability

Notes to consider

- *Technology for transparency and accountability*
 - *Reporting for the community*
 - *Website/share more information*
 - *Improved responses to requests/records management*
- *Annual tax measure Reporting*

Year 1-2 Action Items

- Use technology for transparency and accountability
 - Overhaul/modernize/simplify/make more efficient website
 - Develop and implement strategy to maintain website and accessibility
- Implement records management program to facilitate access to public records
- Prepare, publicize and widely distribute an annual report on the use of Measure D-20 funds. While the Measure D-20 annual report will not include detailed accounting of spending, it should include information on the general areas where the funding was targeted, the goals to be achieved with the Measure D-20 funding, and objective metrics for measuring the success in achieving those goals.

Beyond Year 2 Action Items



ENSURING PUBLIC SAFETY AND PROVIDING EXCEPTIONAL CITY SERVICES

Definition

That we have the tools, resources, and professional staffing necessary to create and maintain an environment where our community (residents, businesses, visitors, and staff) feels safe, served, and mutually respected.

Key Focus Area: Staffing

Notes to consider

- *Hire, Grow and Retain*
 - *Salary*
 - *Training/development*
 - *Hire for heart (consider local)*
 - *Resources and support for staff*
- *Need a sufficient number of staff and capacity to achieve our priorities*
- *Optimization of processes*

Year 1-2 Action Items

- Hire and retain an adequate number of staff to achieve our priorities
- Complete an essentialism evaluation of each department
- Provide competitive salaries/benefits and appropriate classifications for all employees
- Provide opportunities for employee growth & succession
- Explore other retention and attraction strategies
- Provide training and professional development opportunities
- Hire for heart
- Encourage growth and development of local workforce
 - Expand PD explorer program
- Explore a wider City employee recognition/commendation program
- Work to insure that employees have the tools necessary to do their job

Beyond Year 2 Action Items

- Create a long-term strategy to keep employee salaries and benefits competitive
 - Continue to maintain and look for opportunities to enhance other hiring, retention employee growth and development programs
- Create a long-term plan for staffing based on projected changes to workload as community grows/demands change



Key Focus Area: Unhoused Population

Notes to consider

- *Routine cleanups*
- *Training of available resources for staff and community*
- *Continue strong relationships with regional partners*
- *Increase support of Community Action Team (CAT)*

Year 1-2 Action Items

- Perform regular clean-ups of problem encampments
- Perform vegetation management activities in the Downtown District
- Train and educate staff and community members on available support resources for our unhoused population
- Train and educate staff and community members on compassionate interactions with our under-represented residents
- Establish needed Outreach for Underrepresented Residents (**OUR**) Team (formerly known as CAT)
- Support partner non-government organizations outreach efforts
- Support regional combined approach related to unhoused population
- Implement strategies to encourage existing unhoused residents to reduce trash and litter in public and sensitive environmental areas
- Implement strategies for ongoing areas of public concern including design of public spaces
- Provide staff resources to maximize effectiveness (use technology)
- Look for opportunities and grants to provide resources to respond to future opportunities to support underrepresented residents

Beyond Year 2 Action Items

- Expand vegetation management activities

Key Focus Area: Community Engagement

Notes to consider

- *Community Policing*
 - *Strong relationships and trust between PD and the community*
- *Public participation*
- *Emergency Preparedness*

Year 1-2 Action Items

- Establish needed Outreach for Underrepresented Residents (**OUR**) Team (formerly known as CAT)



- Hold more public safety outreach events
- Ensure that all messaging is accessible and consistent across all media platforms
- Look for more opportunities for public engagement
- Continue online and in-person engagement in decision-making discussions
- Improve emergency planning communications with business community through the fire inspection program

Beyond Year 2 Action Items

- Continue robust communications regarding community wildfire preparedness and evacuation planning

QUALITY OF LIFE

Definition

We are embracing our warm friendly atmosphere and building on our sense of community by providing attractions, open spaces, outdoor interactions, and a variety of things to do for all.

Atascadero: Where everybody knows your name and is willing to lend a hand.

Key Focus Area: Things to do

Notes to consider

- *Outdoor Activities*
 - *Hiking/equestrian/biking trails*
 - *Lake Park/Zoo*
 - *Discuss the future of the Zoo (AZA Accreditation)*
 - *Skate park*
- *Galaxy Theater*
- *Recreation / Youth sports*
- *Don't have to go out of town for "date night" (Come to A-Town for date night)*
- *Events that attract local residents as well as folks from out of town.*
 - *Winter Wonderland*
 - *Colony Day Parade and Tent City*
 - *Tamale Festival*
 - *Wine Festival*
 - *Dancing in the Streets*
 - *Cider Festival*
 - *First Fridays (when its safe)*
 - *Concerts in the park (Community bands)*
- *Attracting private pop-up events / activities*
- *Performing Arts Center*
- *Affordable activities*

Year 1-2 Action Items

- See Action Items under the "Economic and Community Vibrancy" section
- Discuss long-term capital needs of the zoo and the viability of continuing AZA accreditation
- Begin to address key deferred maintenance issues in parks and public spaces
- Fund lake quality program to mitigate algae blooms

Beyond Year 2 Action Items

- Address additional deferred maintenance issues in parks and public spaces



Key Focus Area: Welcoming and Inclusive

Notes to consider

- *Supportive community*
- *Diversity (in many categories)*
- *Ethnicity (not just skin color- socio-economic, background / thought, etc.)*
- *Community Engagement*
 - *Reach out to new folks*
- *Hiring for Heart*
- *Reach out to Schools and PTAs*
- *Volunteerism*
 - *Atascadero leading in volunteerism*
 - *Make volunteering easier / simpler*
 - *Work with community partners*
- *Awareness of scholarships and sponsorships*
- *Community Beautification*
 - *Environmental improvements*
 - *Clean (trash-free) physical spaces*
 - *Blight removal*

Year 1-2 Action Items

- Work with and support community partners and volunteers to advance diversity, inclusion, and community beautification
- Use technology to facilitate volunteer opportunities
- See Action Items under “Ensuring Public Safety and Providing Exceptional City Services”

Beyond Year 2 Action Items



Key Focus Area: Supporting families

Notes to consider

- *Spurring the conversation around childcare*
- *Collaborate with partners*
- *Internet / Broadband*
- *Mental health support for adults and children*
- *Affordable housing*
- *Bringing more jobs to Atascadero**

Year 1-2 Action Items

- Encourage regional organizations that bring attention to childcare needs in the community
- Continue on-going successful partnerships with organizations such as ECHO, LINK, and AUSD
- Remain involved in regional efforts to improve broadband access to residents and businesses
- Educate staff and community members of availability of mental health resources that are available in the community
- Continue to implement affordable housing policies of the General Plan Housing Element including minimum densities, objective design standards, small lot standards, ADU ordinance, and inclusionary housing ordinance
- See “Economic and Community Vibrancy” section for other action items
- **Explore Community Choice Energy (February 2022)**

Beyond Year 2 Action Items

- Consider a childcare policy statement in the General Plan Update to support working families