



**CITY OF MORRO BAY**

**NORTH POINT NATURAL AREA  
LANDSCAPING AND LIGHTING  
MAINTENANCE ASSESSMENT DISTRICT**

**2016/2017 ENGINEER'S ANNUAL LEVY REPORT**

**April 28, 2016**

**Revised: May 10, 2016**

*AFFIDAVIT FOR 2016/2017 ENGINEER'S ANNUAL LEVY REPORT*

**CITY OF MORRO BAY**

**NORTH POINT NATURAL AREA  
LANDSCAPING AND LIGHTING  
MAINTENANCE ASSESSMENT DISTRICT**

This report describes the proposed maintenance, improvements, budgets, zone of benefit and assessments to be levied on parcels of land within the North Point Natural Area Landscaping and Lighting Maintenance Assessment District for the fiscal year 2016/2017, as the same existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council and, to the best of my knowledge, information, belief, the report, the assessments and diagrams have been prepared and computed in pursuant to the Landscaping and Lighting Act of 1972.

Dated this 10 day of May, 2016 (rev)



Rob Livick, PE/PLS – Public Works Director/City Engineer



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## I. Overview

### A Introduction

The City Council of the City of Morro Bay (hereafter referred to as “City”), County of San Luis Obispo, State of California, previously formed and has levied and collected annual assessments for the district designated as:

#### NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

(hereafter referred to as “District”) 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 provisions of the California State Constitution Articles XIIC and XIID (hereafter referred to as the “Constitution” or “Proposition 218”).

This Report has been prepared in accordance with Chapter 1, Article 4 (commencing with Section 22565) of the 1972 Act and describes the District and changes to the District including: territories annexed; modifications to the improvements or organization; and the proposed budgets and assessments applicable for fiscal year 2016/2017.

#### History

As a condition of approval for Tract No. 2110, the North Point subdivision, the developers were required to offer to the City for dedication Lot 11 of the subdivision for park purposes, and to construct improvements on Lot 11 including a paved parking area, a stairway providing access to the beach, benches, landscaping and irrigation, lighting, and other improvements. The subdivision was also conditioned to provide maintenance of the park by establishing an assessment district. Lot 11 of Tract No. 2110 is identified as the North Point Natural Area.

### B Assessment History and Current Legislation

In November 1996, California voters approved Proposition 218 that established specific requirements for the ongoing imposition of taxes, assessments and fees. The provisions of the Proposition are now contained in the California Constitutional Articles XIIC and XIID. All assessments described in this Report and approved by the City Council are prepared in accordance with the 1972 Act and in compliance with these provisions of the Constitution.

Pursuant to the Article XIID Section 5 of the Constitution, certain existing assessments were exempt from the substantive and procedural requirements of the Article XIID Section 4, and property owner balloting is not required until such time that a new or increased assessment is proposed. Specifically, the City determined that the annual assessments originally established for the North Point were imposed in accordance with a consent and waiver as part of the original development approval for the properties within these areas. As such, pursuant to Article XIID Section 5b, all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessments (the maximum assessment rates adopted prior to the passage of Proposition 218) for this district is exempt from the procedural requirements Article XIID Section 4. However, any new or increased assessment for the North Point Natural Area shall comply with

both the substantive and procedural requirements of Article XIID Section 4 before such assessments are imposed.

## **II. Description of the District**

### **A. Improvements Authorized by the 1972 Act**

As applicable or may be applicable to this proposed District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities
- The installation or construction of public lighting facilities.
- 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, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or
- injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

### **B. Maintenance Items**

A list of maintenance tasks required to maintain the North Point Natural Area in acceptable condition for public use was developed by the City Recreation and Parks Department based on maintenance standards established for existing parks within the City.

### **III. Method of Apportionment**

#### **A General**

This section of the Engineer's Report includes an explanation of the special benefits to be derived from the installation, maintenance and servicing of the improvements and the methodology used to apportion the total assessment to properties within the District.

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 proceeds from the District are used to fund the maintenance and upkeep of public resources within the North Point development project for the special benefit of the properties located within the project. The continued maintenance and upkeep of these important items is a distinct and special benefit to properties within the District.

#### **B. 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 Constitution and 1972 Act. The improvements associated with the District 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 proposed development plans and applicable portions of the City General Plan and Local Coastal Plan as identified previously in this report. 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 of direct and special benefit to the properties. The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives special benefit from various improvements provided by the District. The desirability and security of properties is enhanced by the presence of local improvements in close proximity to those properties. The special benefits associated with landscaped improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate open space and landscaping.

#### **C. Maintenance Tasks**

A list of maintenance tasks required to maintain the North Point Natural Area in acceptable

condition for public use was developed by the Public Works Department based on maintenance standards established for existing parks within the City and is included in this report as Attachment A.

**D. Maintenance Costs**

The estimated annual cost of maintaining the North Point Natural Area was originally developed by the Recreation and Parks Department based on the tasks required and the City's Flat Rate Manual for Parks Maintenance. Annual maintenance is currently provided through contract services and is supplemented by City Public Works staff. Assessment district costs include labor, utilities, insurance, engineering services and depreciation/reserves. The annual cost of maintenance, including any reserves, for the 2016/17 fiscal year is estimated to be \$24,000, including reserve. The cost estimate is included in this report as Attachment B.

**E. Apportionment of Assessment**

The total assessment for the District is apportioned to each of the ten residential lots equally. Lot 11, the North Point Natural Area; Lot 12, a private street; and Lot 13, an open space parcel to be granted to the State of California; are not assessed. Individual assessments are listed in Attachment C.

## **Attachment A**

### **NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT MAINTENANCE TASKS**

#### **Routine Maintenance Tasks**

- Review for vandalism/repair
- Pick-up - paper
- trash
- cigarette butts
- Empty - trash cans
- Clean - benches
- beach access stairway
- bike rack
- lights
- planting hillside, erosion

#### **Weekly or as needed**

- Blow paths, parking lot
- Monthly or as needed
- Check trees
- Check/repair sprinkler system
- Trim trees and bushes as needed
- Critical parts inspections

#### **Annually or as needed**

- Paint beach access stairway, public access signage
- New plantings (replacement)
- General safety inspection
- Annual tree pruning
- Remove graffiti
- Mow open space
- Pest/gopher control
- Trim and spray paths
- Repair public access signage

## Attachment B

### NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

NAME: North Point Natural Area Landscaping and Lighting Maintenance Assessment District

DIAGRAM: Attached

PLANS AND SPECIFICATIONS: For a detailed description of the improvements, refer to the plans and specifications for Tract 2110 on file in the office of the City Engineer. No bonds or notes will be issued for this Maintenance Assessment District.

ESTIMATED COST OF MAINTENANCE: The following outlines the estimated budget for the maintenance of the North Point Natural Area for fiscal year 2016/17.

<b>TOTAL ASSESSMENT:</b>	<b>\$5,645.00</b>
<b>PER PARCEL YEARLY ASSESSMENT (\$148,944/120 parcels)</b>	<b>\$564.50</b>
<b>RESERVE BALANCE (March 31, 2016)</b>	<b>\$24,000.00</b>

Account Number	Account Description	2013 Actual Amount	2014 Actual Amount	2015 Actual Amount	2016 Adopted Budget	2016 Amended Budget	2016 Actual Amount	2016 Projected Amount	2017 Budget
Fund: 500 - Assessment Districts									
REVENUES									
Department: 6162 - North Point Park									
300-Rev Taxes - Revenues From Taxes									
3018	Property Tax Spec. Assess	5,645.00	5,645.00	5,645.00	5,645.00	5,645.00	2,822.50	4,181.48	5,645.00
Account Classification Total: 300-Rev Taxes - Revenues From Taxes		\$5,645.00	\$5,645.00	\$5,645.00	\$5,645.00	\$5,645.00	\$2,822.50	\$4,181.48	\$5,645.00
Department Total: 6162 - North Point Park		\$5,645.00	\$5,645.00	\$5,645.00	\$5,645.00	\$5,645.00	\$2,822.50	\$4,181.48	\$5,645.00
EXPENSES									
Department: 6162 - North Point Park									
10-Personnel - Personnel Services									
4910	Employer Paid Benefits	45.76	0.00	53.29	0.00	0.00	0.00	0.00	0.00
4999	Labor Costs Applied	181.70	0.00	174.28	0.00	0.00	0.00	0.00	800.00
Account Classification Total: 10-Personnel - Personnel Services		\$227.46	\$0.00	\$227.57	\$0.00	\$0.00	\$0.00	\$0.00	\$800.00
60-Supplies - Supplies									
5501	Grounds Maint. Supplies	80.28	0.00	0.00	2,200.00	2,200.00	0.00	0.00	2,000.00
Account Classification Total: 60-Supplies - Supplies		\$80.28	\$0.00	\$0.00	\$2,200.00	\$2,200.00	\$0.00	\$0.00	\$2,000.00
70-Services - Services									
6199	Other Professional Svc	7,969.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6300	Utilities	1,808.15	1,929.86	2,338.44	0.00	0.00	1,318.37	1,953.14	2,000.00
6710	Notices & Publications	135.29	139.13	293.80	0.00	0.00	0.00	0.00	0.00
Account Classification Total: 70-Services - Services		\$9,912.44	\$2,068.99	\$2,632.24	\$0.00	\$0.00	\$1,318.37	\$1,953.14	\$2,000.00
Department Total: 6162 - North Point Park		\$10,220.18	\$2,068.99	\$2,865.81	\$2,200.00	\$2,200.00	\$1,318.37	\$1,953.14	\$4,800.00

**Attachment C**

**PARCEL/ASSESSMENT TABLE**

<b>Lot Number</b>	<b>County Assessor's Parcel Number</b>	<b>Annual Assessment</b>
1	065-082-10	\$564.50
2	065-082-11	\$564.50
3	065-082-12	\$564.50
4	065-082-13	\$564.50
5	065-082-14	\$564.50
6	065-082-15	\$564.50
7	065-082-16	\$564.50
8	065-082-17	\$564.50
9	065-082-18	\$564.50
10	065-082-19	\$564.50
11	065-082-20	\$ 0.00
12	065-082-21	\$ 0.00
13	065-082-22	\$ 0.00

