



City of South Gate

Maintenance District No. 1

2021/2022 ENGINEER'S ANNUAL LEVY REPORT

Intent Meeting: April 20, 2021

Public Hearing: May 25, 2021

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ENGINEER'S REPORT AFFIDAVIT
Maintenance District No. 1

City of South Gate
Los Angeles County, State of California

This Report describes the District and services therein including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2021/2022, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles 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.

Dated this 13th day of April, 2021

Willdan Financial Services
Assessment Engineer
On Behalf of the City of South Gate

By: 
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I. OVERVIEW

A. INTRODUCTION

The City of South Gate (the “City”) annually levies and collects special assessments in order to maintain the improvements within Maintenance District No. 1 (the “District”). On June 22, 1981, the City Council of the City adopted Resolution 3838 which ordered the formation of Maintenance District No.1. The District is levied pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (the “1972 Act”) and in compliance with California Constitution Article XIID (“Article XIID”).

This Engineer’s Annual Levy Report (the “Report”) describes the District, any annexations, or changes to the District including substantial changes to the District improvements, and the proposed assessments for Fiscal Year 2021/2022. The proposed assessments are based on the estimated cost to maintain the improvements that provide special benefits to properties within the District. The costs of improvements and the annual levy include all expenditures, deficits, surpluses, revenues, and reserves. Each parcel is assessed proportionately for only those improvements provided and for which the parcel receives benefit based on an established method of apportionment.

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

Following consideration of public comments and written protests at a noticed public hearing, and review of the Report, the City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report, and confirmation of the assessments, the Council may order the levy and collection of assessments for Fiscal Year 2021/2022 pursuant to the 1972 Act. In such case, the assessment information will be submitted to the County Auditor/Controller and included on the property tax roll for each benefiting parcel for Fiscal Year 2021/2022.

B. COMPLIANCE WITH CURRENT LEGISLATION

Pursuant to the 1972 Act, the City Council annually conducts a public hearing to accept public comments and testimony, and to approve the annual assessments to be levied on the County tax roll for the Fiscal Year. All assessments contained in this Report and to be approved by the City Council have been prepared in accordance with the 1972 Act and are in compliance with the provisions of Article XIID of the constitution of the State of California (“Proposition 218”).

The City has reviewed the provisions of Article XIID and has made the following findings and determinations:

Pursuant to Article XIID, Section 5, certain existing assessments are exempt from the substantive and procedural requirements of Article XIID, Section 4 and property owner balloting for the assessments is not required until such time that the assessments are

increased. Specifically, the improvements and the annual assessment for maintaining the District improvements were part of the original conditions of development and approved by the original property owner (the “Developer”). As such, pursuant to Article XIID, Section 5, the existing assessments were approved by all the property owners at the time the assessment was created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts (Assessment Rates including the Annual Maximum Assessment Cap Formula so approved) are identified as exempt from the procedural requirements of Article XIID, Section 4.

The provisions of Article XIID do not alter the non-conflicting provisions of the 1972 Act. As such, the method of apportionment described in this Report utilizes commonly accepted assessment engineering practices consistent with the 1972 Act and the provisions of Article XIID. The proposed assessments for the current Fiscal Year are less than or equal to the adjusted maximum assessment rate previously approved and adopted for the District. The application of this adjusted maximum assessment rate for the various land uses within the District is described in more detail in Section III D of this report. Any proposed assessment that exceeds the adjusted maximum assessment rate is considered an increased assessment. Pursuant to the provisions of Article XIID, all new or increased assessments (the incremental increase) are subject to both the substantive and procedural requirements of Article XIID, Section 4.

C. 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.

II. DESCRIPTION OF THE DISTRICT

A. BOUNDARIES OF THE DISTRICT

The boundaries of the District are coterminous with the boundaries of the City. The diagram of the District boundaries showing the exterior boundaries of the District, the boundaries of any zones within the District and the lines and dimensions of each lot or parcel of land within the District is on file in the office of the City Engineer and incorporated herein by reference. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County of Los Angeles for the Fiscal Year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

B. DESCRIPTION OF THE DISTRICT IMPROVEMENTS

The District improvements generally provide for the continued operation of streets and sidewalks within the District, including the maintenance and servicing of the street lighting system, street trees, landscaped street medians, street hardscapes and landscapes, traffic signal system and appurtenant facilities that are located in and along such streets and sidewalks, including but not limited to, personnel, electrical energy, utilities such as water, materials, contracting services, and other items necessary for the satisfactory operation of these facilities.

Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of the landscaping, public lighting facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping, public lighting facilities or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste; and the cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti.

Servicing means the furnishing of water for the irrigation of the landscaping and the maintenance of any of the public lighting facilities or appurtenant facilities and the furnishing of electric current or energy, gas or other illuminating agent for the public lighting facilities, or for the lighting or operation of landscaping or appurtenant facilities.

The improvements funded entirely or partially through the District assessments generally include the following:

Landscaping and Appurtenant Facilities

Landscaping, planting, shrubbery, trees, irrigation systems, hardscapes, street furniture, illuminated signs, special decorative fixtures, sidewalk maintenance and appurtenant facilities, in public street and sidewalk rights-of-way, including parkways, medians and dedicated easements within the boundary of the District.

Public Lighting and Appurtenant Facilities

Poles, fixtures, bulbs, conduits, equipment, including guys, anchors, posts and pedestals, metering devices and appurtenant facilities as required to provide safety lighting and traffic signals in public street and sidewalk rights-of-way, including parkways, medians and dedicated easements within the boundary of the District. A diagram showing the size and location of all street lights and traffic signals is on file in the office of the City Engineer and is incorporated herein by reference.

The public lighting system shall be maintained to provide adequate illumination. The Southern California Edison Company shall furnish power for street lights and traffic signals, and it shall be adequate for the intended purpose. The traffic signal system shall be maintained based on the City specifications and current industry standards. Rates for power shall be those authorized by the California Utilities Commission.

The plans and specifications for the existing improvements are on file in the office of the City Engineer and are made part of this report by reference. No new improvements or any substantial changes in existing improvements are proposed for the next Fiscal Year.

III. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements that 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 formula used for calculating assessments in this District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on benefit to each parcel.

In addition, Article XIID requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Article XIID provides that only special benefits are assessable and the City must separate the

general benefits from the special benefits. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the district. The general enhancement of property value does not constitute a special benefit.

B. BENEFIT ANALYSIS

Each of the improvements, the associated costs and assessments within the District has been reviewed, identified and allocated based on the special benefit parcels receive from such improvements pursuant to the provisions of Article XIID and the 1972 Act. All improvements associated with this 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. 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 maintenance and operation of the improvements are of special benefit to the properties.

All the lots or parcels are established at the same time once the conditions regarding the improvements and the continued maintenance are met. As a result, each lot or parcel within the District receives a special and distinct benefit from the improvements and to the same degree.

Over time, the improvements continue to confer a particular and distinct special benefit upon the lots or parcels within the District because of the nature of the improvements. The proper maintenance of the improvements and appurtenant facilities reduces property related crimes, especially vandalism, against properties in the District. All of the above-mentioned factors also contribute to a specific benefit to each of the parcels within the District.

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives benefit from the improvements. However, each individual improvement element has its own distinct benefits both specific and general. The special benefits associated with the improvements within the District are as follows:

Special Benefit

The special benefits associated with the landscaping improvements in the District 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 green space, open space areas 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;
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti; and,
- Enhanced environmental quality of the parcels by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits of the street lighting and traffic signal (public lighting) improvements within the District 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 and streets;
- Improved ability of pedestrians and motorists to see;
- Improved ingress and egress to property;
- Reduced vandalism and other criminal acts and damage to improvements or property;
- Improved traffic circulation and reduced nighttime accidents and personal property loss; and,
- Increased promotion of business during nighttime hours in the case of commercial properties.

General Benefit

In addition to the special benefits received by the parcels within the District, there are incidental general benefits conferred by the improvements to the public at large (e.g. flow through traffic). These general benefits are primarily relating to the traffic safety provided by the public lighting improvements as described above. The total benefits provided by the District improvements are a combination of the special benefits to the parcels within the District and the general benefit to the public at large. Any portion of the total costs, which are associated with general benefits, will not be assessed to the parcels in the District, but will be paid from other City funds.

C. ASSESSMENT METHODOLOGY

The street lighting, trees, landscaping, hardscapes, traffic signals and appurtenant facilities are for the benefit and enjoyment of all properties within the District and parcels benefit from the operation, maintenance and servicing thereof. The assessment of maintenance and servicing costs upon each parcel is apportioned in accordance with the methodology, which has been established by the City Council upon formation of the District.

The *adjusted front footage* of each parcel was determined, at District formation to be the most equitable method for spreading the estimated benefit received by each parcel. Lighting, medians, street trees and parkway improvements are considered "frontage" improvements. The frontage of a parcel is adjusted to take into consideration configuration, such as irregular or corner parcels, and whether a parcel has condominiums on it.

The *adjusted front footage* for an irregular, corner or a parcel with condominiums on it, is determined by measuring the front of the parcel that receives the greatest special benefit within its respective zone.

Furthermore, the District established several special benefit Zones to distinguish differing levels of benefit provided by certain District improvements. The Tweedy and Hollydale Commercial District landscaping and hardscape improvements, and the landscaped medians, are located on the major thoroughfares, which are the main travel-ways of the City. These improvements are a special benefit to the adjacent properties, as well as a citywide benefit to all other parcels in the District. The City has not levied an assessment for the local benefit portion of the assessment since the passage of Proposition 218 and the costs attributable to the local benefit portion will continue to be paid from other City funds for Fiscal Year 2021/2022. The City’s costs to administer the improvements are also considered a benefit to all properties.

The benefit Zones established by the District are described below:

ZONE 1 - This is a City-wide Zone with boundaries contiguous to the boundaries of the City limits. All parcels within the District are included in this Zone and are assessed for the operation, maintenance, and servicing of street lights, traffic signals, street trees and appurtenant facilities, as well as the City-wide landscaping and hardscape benefits of the Tweedy and Hollydale Commercial Districts and landscaped medians.

ZONE 2 - Tweedy Commercial District is comprised of the Tweedy Boulevard business district from Hunt Avenue to State Street.

ZONE 3 - Hollydale Commercial District is comprised of the Garfield Avenue business district from Century Boulevard to one-half block north of Roosevelt Avenue.

ZONE 4 - Landscape Median Area is in the immediate vicinity of the Firestone Boulevard / Garfield Avenue intersection.

The preliminary distribution of Adjusted Front Footage (AFF) per Zone is as follows:

	Zone 1 (All Parcels)	Zone 2 (Tweedy)	Zone 3 (Hollydale)	Zone 4 (Medians)
Parcel Count	15,507	118	29	19
Adjusted Front Footage*	821,331.67	7,493.65	1,884.00	7,210.10

* The Adjusted Front Footage amount for Zone 1 includes AFF in Zones 2, 3, and 4. Amount might be slightly different from actual data due to rounding.

Exempt Parcels — Exempt parcels may include, but are not limited to, publicly owned lots or parcels used for a public function including public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, right-of-ways including greenbelts and parkways; utility right-of-ways; common areas, public schools, park properties and other publicly owned properties that are part of the District improvements or that have little or no improvement value. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from the assessment.

D. MAXIMUM ASSESSMENT

In November 1996, voters of the State of California passed Proposition 218 that added Articles XIIC and XIID to the California Constitution. Article XIID requires certain noticing, balloting and meeting procedures for any new or increased assessment. 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 Maximum Assessment rate for the District was established and has remained at \$2.3789 per adjusted front footage since 1993 and there is no escalation factor approved for increasing the Maximum Assessment rate. The Maximum Assessment establishes a limit on the assessment; however it does not restrict assessments to the maximum amount. If the budget and assessment for the Fiscal Year is less than or equal to the Maximum Assessment, then the required budget and assessment may be applied without additional property owner balloting procedures as required by Article XIID. If the budget and assessments calculated require an increase greater than the Maximum Assessment, then the assessment is considered an increased assessment and would be subject to such balloting procedures.

IV. DISTRICT BUDGET

A. DESCRIPTION OF BUDGET ITEMS

The 1972 Act provides that the estimated costs of the improvements shall include the total cost of the maintenance and servicing of the improvements for the entire Fiscal Year 2021/2022, commencing July 1, 2021 and ending June 30, 2022, including incidentals, which may include reserves to operate the District.

The 1972 Act also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within the District is the total cost of maintenance and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

For the purpose of estimating costs for the maintenance and servicing, actual costs are used where possible. But where the improvements are new, or where actual maintenance experience is lacking, cost estimates will be used to determine costs, as follows:

Direct Costs:

Maintenance Costs/Labor — Includes all contracted labor, material and equipment required to properly maintain the landscaping, irrigation and drainage systems within the District. All improvements within the District are maintained and serviced on a regular basis. The frequency and specific maintenance operations

required within the District are determined by City Staff and is based on the proposed service level of the District.

Utilities — Includes utility costs for water required to irrigate landscaped areas and the utility costs for electricity required to run irrigation systems and lighting for the areas according to the proposed service level of the District.

Repairs/Miscellaneous — Includes the replacement of any materials and equipment needed to maintain the District. Also includes repairs that are generally unforeseen and not normally included in the yearly maintenance contract costs. This may include repair of damaged amenities due to vandalism, storms, frost, etc. Also included may be planned upgrades that provide a direct benefit to the District. These upgrades could include replacing plant materials and/or renovation of irrigation or lighting systems.

Administration Costs:

City Administration – The cost which is allocated for the City Administration staff and departments for labor, hours and support in order to maintain the districts well-being.

District Administration — The cost to all particular departments and staff of the City, for providing the coordination of District services and operations, response to public concerns and education, as well as procedures associated with the levy and collection of assessments. This item also includes the costs of contracting with professionals to provide any additional administrative, legal or engineering services specific to the District including any required notices, mailings or property owner protest ballot proceedings.

County Administration Fee — The cost to the District for the County to collect District assessments on the property tax bills. This charge is based on a fixed amount per parcel.

Levy Breakdown:

Reserve Collection (Transfer) — The 1972 Act pursuant to *Chapter 1, Article 4 Section 22569 (a)*, provides for a District Reserve Fund. The Reserve Fund provides for the collection of funds to operate the District from the time period of July 1 (beginning of the Fiscal Year) through January when the County provides the City with the first installment of assessments collected from the property tax bills. Negative amounts shown for these budget items are transfers from the reserve fund that are used to reduce the Balance to Levy. The Reserve Fund eliminates the need for the City to transfer funds from non-District accounts.

Revenue from Other Sources — This is the amount of additional funds designated for use by the District that are not from District assessments. These funds are added to the District account to reduce assessments, and may be from either non-District or District sources including City General Fund Contributions, interest earnings and contributions from the Gas Tax. Any funds indicated on this line will be shown as a negative number indicating a reduction in the amount to be levied and represent funds that do not have to be repaid.

Balance to Levy — This is the total amount to be levied and collected through assessments for the current Fiscal Year (for special benefits) or from other revenue sources (for general benefit). The Balance to Levy represents the sum of Total Direct and Administration Costs, the Reserve Account/Other Revenue Source adjustments. Only those costs related to the improvements identified as special benefits are levied and collected on the tax roll.

District Statistics:

Total Number of Parcels — The total number of parcels within the District boundary.

Total Parcels Levied — The total number of parcels within the District that are assessed. Non-assessable lots or parcels may include parcels of land principally encumbered by public right-of-ways, easements, common areas, and/or parcels within the boundaries of the District that currently do not benefit from the improvements due possibly to development restrictions.

Total Adjusted Front Footage (AFF) — Adjusted Front Footage (AFF) is the frontage of a parcel, adjusted to take into consideration configuration, such as irregular or corner parcels, and condominium parcels. The Total AFF shown in the District Budget, (Section IV B), represents the sum of all parcels' AFF that receive special benefits from the improvements.

Levy per AFF — This amount represents the rate being applied to each parcel's Adjusted Front Footage. The Levy per Adjusted Front Footage is the result of multiplying the Total Adjusted Front Footage times the Rate for the Fiscal Year.

Reserve Information:

Reserve Balance — The Reserve Balance eliminates the need for the City to transfer funds from non-District accounts to pay for District charges during the first half of the Fiscal Year. The Reserve Balance allows the District to retain sufficient funds to operate the District from the time period of July 1 (beginning of the Fiscal Year) through January or February (when the County provides the City with the first installment of assessments collected from the property tax bills). Additional funds may be collected each year to ensure adequate operating funds are available or the funds may be used to reduce the Balance to Levy. Using reserve amounts in this way allows the Levy rate to remain fairly constant, although District costs may fluctuate. The Estimated Beginning Reserve Balance reflects the projected funds available at the beginning of the current Fiscal Year (based on the projected revenues and expenses from the prior Fiscal Year). The Estimated Ending Reserve Balance reflects the projected funds that are anticipated at the end of the current Fiscal Year (assuming all revenues and expenditures occur as budgeted).

B. DISTRICT BUDGET FISCAL YEAR 2021/2022

BUDGET ITEMS	BUDGET AMOUNTS
DIRECT COSTS	
Employee Services	\$704,897
Supplies and Services	1,478,834
Capital Outlay	95,351
Direct Costs (Subtotal)	\$2,279,082
ADMINISTRATION COSTS	
City Administration Fee	\$159,946
District Administration	8,000
County Administration Fee	3,918
Administration Costs (Subtotal)	\$171,864
LEVY BREAKDOWN	
Total Direct and Admin. Costs	\$2,450,947
Reserve Collection (Transfer)	0
Revenue from Other Sources (Gas Tax)	0
Other Revenue/General Fund (Contribution)	(457,590)
Amount to Levy*	\$1,993,357
DISTRICT STATISTICS	
Total Number of Parcels	15,727
Total Parcels Levied	15,673
Total Adjusted Front Footage	837,919
Rate per AFF (Adjusted Front Foot)	\$2.3789
Maximum Rate per AFF	\$2.3789
RESERVE INFORMATION	
Beginning Reserve Balance	\$0
Reserve Fund Activity	0
Estimated Ending Reserve Balance	\$0

* Amount to Levy is slightly off from the sum of the Levy Breakdown amounts due to rounding.

The proposed assessment per Adjusted Front Footage ("AFF") for Fiscal Year 2021/2022 is **\$2.3789** per AFF, which has been rounded to the nearest ten thousandths.

REPORT UPDATES:

Fiscal Year 2021/2022, updates were made to the District Budget. These updates do not affect the amount to levy or the per parcel assessment rates.

RECOMMENDED ACTIONS:

- A. Adopt a Resolution approving the Engineer's Report for Maintenance District No.1 for Fiscal Year 2021/2022 which is necessary as a part of the subject proceedings; and
- B. Adopt a Resolution Initiating Annual Proceedings for the levy of the Fiscal Year 2021/2022 within Maintenance District No. 1

APPENDIX A - DISTRICT ASSESSMENT DIAGRAM

A District Diagram has been prepared for the District in the format required by the 1972 Act, and is on file with the City Clerk, and by reference is made part of this Report. The Assessment Diagram is available for inspection at the Office of the City Clerk, during normal business hours.

APPENDIX B - 2021/2022 ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the County Assessor's Map for the year in which this Report is prepared.

Non-assessable lots or parcels include land principally encumbered by public or utility rights-of-way and common areas. These parcels will not be assessed.

A listing of parcels assessed within the District along with the proposed assessment amounts has been identified as "Fiscal Year 2021/2022 Assessment Roll", is on file with the City Clerk and is by reference made a part of this Report.

For Fiscal Year 2021/2022, estimated assessment amount for the District is \$1,993,357. This amount does not take into consideration parcel changes and delinquency rate of approximately 5.07% (based on Fiscal Year 2020/2021 first installment delinquency rate).