



CITY OF ATASCADERO CITY COUNCIL AGENDA

MEETING INFORMATION:

The City Council meeting will be held in the City Council Chambers and in-person attendance will be available at that location.

HOW TO OBSERVE THE MEETING REMOTELY:

To observe remotely, residents can livestream the meeting on [Zoom](#), SLO-SPAN.org, and listen live on KPRL Radio 1230AM and 99.3FM. The video recording of the meeting will be available through the City's website and on the City's YouTube Channel. To observe remotely using the Zoom platform please visit:

https://us02web.zoom.us/webinar/register/WN_ZwJ7a031S3KXauEym9ehaA

HOW TO SUBMIT PUBLIC COMMENT:

Public comment may be provided in-person.

Written public comments are accepted at cityclerk@atascadero.org. **Comments should identify the Agenda Item Number in the subject line of the email.** Such comments will be forwarded to the City Council and made a part of the administrative record. ***To ensure distribution to the City Council before consideration of an item, please submit comments not later than 12:00 p.m. the day of the meeting.*** All correspondence will be distributed to the City Council, posted on the City's website, and be made part of the official public record of the meeting. ***Please note, comments will not be read into the record.*** Please be aware that communications sent to the City Council are public records and are subject to disclosure pursuant to the California Public Records Act and Brown Act unless exempt from disclosure under applicable law. Communications will not be edited for redactions and will be printed/posted as submitted.

AMERICANS WITH DISABILITIES 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.

DISCLOSURE OF CAMPAIGN CONTRIBUTIONS:

California Government Code section 84308 ("Levine Act") requires a party to or participant in a proceeding involving a license, permit, or other entitlement, including all contracts other than competitively bid, labor, or personal employment contracts, to disclose any contribution of more than \$500 that the party or participant (or their agent) has made to a member of the City Council within the prior 12 months. The City Council Member(s) who receive such a contribution are disqualified and not able to participate in the proceedings and are also required to disclose that fact for the official record of the subject proceedings. Disclosures must include the amount of the campaign contribution and identify the recipient City Council Member and may be made either in writing to the City Clerk before the agenda item or by verbal disclosure during consideration. The Levine Act also prohibits, during the proceeding and for 12 months following a final decision, a party to or participant in (or their agent) a proceeding involving a license, permit, or other entitlement, including all contracts other than competitively bid, labor, or personal employment contracts, from making a contribution of more than \$500 to any member of the City Council or anyone running for City Council.

City Council agendas and minutes may be viewed on the City's website:

www.atascadero.org/agendas

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 made a part of 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 10, 2025, 5:00 p.m.
Tuesday, June 10, 2025, 6:00 p.m.
City Hall Council Chambers, Fourth Floor
6500 Palma Avenue, Atascadero, California

Pages

A. CLOSED SESSION (5:00 p.m.)

1. CLOSED SESSION - PUBLIC COMMENT
2. COUNCIL LEAVES CHAMBERS TO BEGIN CLOSED SESSION
3. CLOSED SESSION - CALL TO ORDER
 - a. Potential/anticipated threats to public services or facilities - Government Code Sec. 54957(a).
4. CLOSED SESSION - ADJOURNMENT
5. COUNCIL RETURNS
6. CLOSED SESSION REPORT

B. REGULAR SESSION - CALL TO ORDER (6:00 p.m.)

C. PLEDGE OF ALLEGIANCE

Mayor Pro Tem Dariz

D. ROLL CALL

Mayor Bourbeau
Mayor Pro Tem Dariz
Council Member Funk
Council Member Newsom
Council Member Peek

E. CONSENT CALENDAR

(All items on the consent calendar are considered routine and non-controversial by City staff and will be acted upon by a single action of the City Council unless otherwise requested by an individual Council Member for separate consideration. Public comment on Consent Calendar items will be invited prior to action on the Calendar.)

1. **City Council Draft - Minutes - May 27, 2025, Regular Meeting**
Recommendation: Council approve the May 27, 2025, City Council Regular Meeting Minutes [City Clerk]

2. **Authorizing Temporary Road Closures for 2025 Hot El Camino Cruise Nite and Colony Days Parade Routes** 13
Recommendation: Council:
 1. Adopt Draft Resolution A, authorizing temporary road closures and restrictions on August 15, 2025, for the Hot El Camino Cruise Nite.
 2. Adopt Draft Resolution B, authorizing temporary road closures and restrictions on October 4, 2025, for the Colony Days Parade.
Fiscal Impact: Cruise Nite incurs no net fiscal impact. [Public Works]
3. **Adopting a List of Projects for Fiscal Year 2025-2026 Funded by SB 1: The Road Repair and Accountability Act of 2017** 21
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 2025-2026.
Fiscal Impact: Approval of the Draft Resolution adopting the list of projects for SB 1 funding will allow the City to receive an estimated \$834,170 in Fiscal Year 2025-2026 SB 1 funding. [Public Works]
4. **Notice of Intent to Annex the Dove Creek Mixed-Use Project into CFD 2005-01** 27
Recommendation: Council adopt Draft Resolution, declaring its intention to annex territory into Community Facilities District 2005-1 (Public Services) as Annexation No. 26 and to authorize the levy of special taxes therein (Dove Creek Mixed).
Fiscal Impact: Assessments for this annexation are estimated to be \$59,979.38 annually, adjusted each year for inflation. [Community Development]
- F. UPDATES FROM THE CITY MANAGER**
 (The City Manager will give an oral report on any current issues of concern to the City Council.)
- G. 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.)
- H. PUBLIC HEARINGS**
1. **Proposition 218 Majority Protest Process Relative to Proposed Increase to Wastewater (Sewer) Rates** 50
Recommendation: 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; and

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 10, 2025.

Fiscal Impact: If the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate, the City Council may adopt Draft Resolution A and C. Doing so will result in an estimated \$895,000 in additional revenue from sewer service charges collected in FY25/26. [Public Works]

2. Downtown Parking and Business Improvement Area (DPBIA) 66
Assessment Confirmation of Annual Assessment for Fiscal Year 2025-2026

Recommendation: Council adopt Draft Resolution, confirming the annual assessment for the Downtown Parking and Business Improvement Area (DPBIA) for Fiscal Year 2025-2026.

Fiscal Impact: Adopting the staff recommendation will result in the collection of approximately \$14,500 and expenditure of \$14,500 in budgeted DPBIA funds. [Community Development]

3. Atascadero Tourism Business Improvement District (ATBID) 73
Confirmation of Annual Assessment (FY 2025-2026)

Recommendation: Council adopt Draft Resolution, confirming the annual Business Improvement District assessment on lodging businesses within the Atascadero Tourism Business Improvement District (Fiscal Year 2025-2026).

Fiscal Impact: Annual assessments are expected to be approximately \$510,800 and expenditure are budgeted at \$503,680 for fiscal year 2025-2026. [Community Services and Promotions]

4. Apple Valley Assessment Districts 77

Recommendation: 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 2025/2026.

2. Adopt Draft Resolution B, ordering the levy and collection of assessments for fiscal year 2025/2026 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 2025/2026.

4. Adopt Draft Resolution D, ordering the levy and collection of assessments for fiscal year 2025/2026 for Landscaping and Lighting

District No. 01 (Apple Valley).

Fiscal Impact: Annual assessments for 2025/2026 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 \$10,750 for half the cost of the park will be made from the City's General Fund, \$6,770 of which will be from contributions made by the developer. [Administrative Services]

5. De Anza Estates Assessment Districts

131

Recommendation: 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 2025/2026.
2. Adopt Draft Resolution B, ordering the levy and collection of assessments for fiscal year 2025/2026 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 2025/2026.
4. Adopt Draft Resolution D, ordering the levy and collection of assessments for fiscal year 2025/2026 for Landscaping and Lighting District No. 03 (De Anza Estates).

Fiscal Impact: Annual assessments for 2025/2026 will total \$30,562 for road/drainage system maintenance and \$17,463 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 2025/2026 for half of the maintenance costs of the trails and open space. [Administrative Services]

6. Las Lomas (Woodridge) Assessment Districts

189

Recommendation: Council:

1. Adopt Draft Resolution A, approving the final Engineer's Report regarding the Street and Storm Drain Maintenance District No. 02 (Las Lomas [Woodridge]), and the levy and collection of annual assessments related thereto for Fiscal Year 2025/2026.
2. Adopt Draft Resolution B, ordering the levy and collection of assessments for Fiscal Year 2025/2026 for Street and Storm Drain Maintenance District No. 02 (Las Lomas [Woodridge]).
3. Adopt Draft Resolution C, approving the final Engineer's Report regarding the Landscaping and Lighting District No. 02 (Las Lomas [Woodridge]), and the levy and collection of annual assessments related thereto in Fiscal Year 2025/2026.
4. Adopt Draft Resolution D, ordering the levy and collection of assessments for Fiscal Year 2025/2026 for Landscaping and Lighting District No. 02 (Las Lomas [Woodridge]).

Fiscal Impact: Annual assessments for 2025/2026 will total \$104,287 for road/drainage system maintenance and \$78,100 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 \$1,830 for the fiscal year 2025/2026 for 25% of the

maintenance costs of the trails and open space. [Administrative Services]

I. MANAGEMENT REPORTS

1. 2025-2027 Operating and Capital Budget

252

Recommendation: Council:

1. Adopt Draft Resolution adopting the budgets for the 2025-2026 and 2026-2027 fiscal years and delegating to the City Manager the authority to implement same.
2. Adopt Draft Resolution amending fiscal year 2024-2025 budget.
3. Adopt Draft Resolution adopting the fiscal year 2025-2026 annual spending limit.
4. Adopt Draft Resolution reaffirming the necessity of Development Impact Fees.

Fiscal Impact: The total revenues for all funds are budgeted at \$69,295,860 and \$77,667,500 for fiscal years 2025-2026 and 2026-2027, respectively. Total expenditures for all funds are budgeted at \$71,831,300 and \$78,972,580 for fiscal years 2025-2026 and 2026-2027, respectively. [Administrative Services]

J. 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 Bourbeau

1. City Selection Committee
2. County Mayor's Round Table
3. Integrated Waste Management Authority (IWMA)
4. Central Coast Community Energy (3CE)

Mayor Pro Tem Dariz

1. Air Pollution Control District
2. California Joint Powers Insurance Authority (CJPIA) Board
3. Community Action Partnership of San Luis Obispo (CAPSLO)
4. Visit SLO CAL Advisory Committee

Council Member Funk

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

Council Member Newsom

1. City of Atascadero Finance Committee
2. City / Schools Committee
3. League of California Cities – Council Liaison
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

Council Member Peek

1. City of Atascadero Finance Committee
2. City/Schools Committee

3. Design Review Committee
4. SLO County Water Resources Advisory Committee (WRAC)

K. 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
2. City Clerk
3. City Treasurer
4. City Attorney
5. City Manager

L. ADJOURNMENT



CITY OF ATASCADERO CITY COUNCIL DRAFT MINUTES

**May 27, 2025, 6:00 p.m.
City Hall Council Chambers, Fourth Floor
6500 Palma Avenue, Atascadero, California**

A. REGULAR SESSION - CALL TO ORDER 6:00 P.M

B. PLEDGE OF ALLEGIANCE:

Mayor Bourbeau called the meeting to order at 6:00 P.M. and Council Member Peek led the Pledge of Allegiance.

C. ROLL CALL

Present: Council Members Funk, Newsom, Peek, Mayor Pro Tem Dariz, and Mayor Bourbeau

Absent: None

Others Present: None

Staff Present: City Manager James R Lewis, Deputy City Manager/City Clerk Lara Christensen, Administrative Services Director/City Treasurer Jeri Rangel, City Attorney Dave Fleishman, Community Services and Promotions Director Terrie Banish, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, Police Chief Dan Suttles, Public Works Director Nick DeBar, Deputy City Manager – IT Luke Knight, Battalion Chief Dave Van Son, and Code Enforcement Officer Ayla Tomac

D. CONSENT CALENDAR

1. City Council Draft Minutes - May 13, 2025, Regular Meeting

Recommendation: Council approve the May 13, 2025, City Council Regular Meeting minutes. [City Clerk]

2. April 2025 Accounts Payable and Payroll

Fiscal Impact: Total expenditures for all funds is \$3,369,105.03.

Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for April 2025 [Administrative Services]

3. **2025 F-14 Pavement Rehabilitation Project Construction Award**
Fiscal Impact: Approving staff recommendations will result in the estimated expenditures up to \$2,800,000 in Sales Tax Measure F-14 Funds
Recommendation: Council:
 1. Award a construction contract for \$1,843,967 to Souza Construction for the 2025 F-14 Rehabilitation Project (Project No. C2024R01).
 2. Authorize the Director of Administrative Services to allocate \$2,550,000 of Sales Tax Measure F-14 funds for the 2025 F-14 Pavement Rehabilitation Project. [Public Works]

4. **Annual Military Equipment Report Pursuant Assembly Bill 481**
Fiscal Impact: None
Recommendation: Council receive and file the annual Military Equipment Report according to the requirements of Assembly Bill 481; and takes such additional, related, action that may be desirable. [Police Department]

5. **Adoption of an Ordinance Forming the Atascadero Industrial Development Authority**
Fiscal Impact: There is no significant impact to the City's general fund associated with the proposed formation of the Industrial Development Authority.
Recommendation: Council adopt, on second reading by title only, an Ordinance of the City Council of the City of Atascadero Forming the Atascadero Industrial Development Authority. [Administrative Services]

PUBLIC COMMENT:

Mayor Bourbeau opened the Public Comment period.

The following persons spoke on this item: None

Mayor Bourbeau closed the Public Comment period.

MOTION BY: Funk
SECOND BY: Peek

1. **Approve Consent Calendar (#D3: Contract No. 2025-012) (#D5: Ordinance No. 686)**

AYES (5): Newsom, Funk, Peek, Dariz and Bourbeau

Passed 5-0

E. UPDATES FROM THE CITY MANAGER: City Manager James R. Lewis gave an update on projects and issues within the City.

F. COMMUNITY FORUM

The following persons spoke: Geoff Auslen, Brian Golding

G. PUBLIC HEARINGS

1. **Adoption of the 2025 Fire Hazard Severity Zone map and discussion regarding the Atascadero Wildland Urban Interface Fire Area Map**

Fiscal Impact: None

Recommendation: Council:

1. Introduce for first reading, by title only, Draft Ordinance adopting the State Fire Marshal's 2025 Local Responsibility Area Fire Hazard Severity Zone Map.
2. Review options and provide feedback to staff on the Atascadero Wildland Urban Interface Fire Area Map. [Fire Department]

Council Members Newsom, Peek, and Mayor Bourbeau recused themselves from discussion on Recommendation No. 1 due to a conflict of interest, thus creating a lack of a quorum. Through a drawing of straws, Council Member Newsom was brought back by Rule of Necessity in order to meet quorum requirements for an ordinance vote.

Council Member Peek and Mayor Bourbeau left the dais.

Fire Chief Casey Bryson and Battalion Chief Dave Van Son presented Recommendation No. 1. They and Community Development Director Phil Dunsmore answered questions from the Council.

PUBLIC COMMENT:

Mayor Pro Tem Dariz opened the Public Comment period.

The following persons spoke on this item: Geoff Auslen

Mayor Pro Tem Dariz closed the Public Comment period.

MOTION BY: Dariz

SECOND BY: Funk

1. **Introduce for first reading, by title only, Draft Ordinance adopting the State Fire Marshal's 2025 Local Responsibility Area Fire Hazard Severity Zone Map.**

AYES (3): Newsom, Funk, and Dariz

NOES (0): None

ABSTAIN (2): Peek, Bourbeau

Passed 3-0

Atascadero City Council

May 13, 2025

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Council Member Peek and Mayor Bourbeau returned to the dais for presentation of and discussion on Recommendation No. 2.

Fire Chief Casey Bryson and Battalion Chief Dave Van Son presented Recommendation No. 2. They and Community Development Director Phil Dunsmore answered questions from the Council.

Mayor Bourbeau opened the Public Comment period.

The following persons spoke on this item: Geoff Auslen, Harry Waclaw

Mayor Bourbeau closed the Public Comment period.

Staff received feedback from the Council and will bring revised information back to Council at a later date.

Mayor Bourbeau recessed the Meeting at 8:33 P.M.

Mayor Bourbeau reconvened the Meeting with all present at 8:38 P.M.

2. Amendments to Fee Schedule

Fiscal Impact: There will be an increase in operating revenue resulting from the CPI increase, with an offsetting increase in costs to provide the services.

Recommendation: Council adopt Draft Resolution, adopting amended fees and deposits to offset costs incurred in planning services, and a schedule of fees and charges for City services. [Administrative Services]

Administrative Services Director Jeri Rangel presented this item. Director Rangel and Community Services and Promotions Director Terrie Banish answered questions from the Council.

Mayor Bourbeau opened the Public Comment period.

The following persons spoke on this item: None

Mayor Bourbeau closed the Public Comment period.

MOTION BY: Newsom
SECOND BY: Dariz

2. Adopt Draft Resolution, adopting amended fees and deposits to offset costs incurred in planning services, and a schedule of fees and charges for City services. (Resolution No. 2025-027)

AYES (5): Newsom, Funk, Peek, Dariz and Bourbeau

ABSENT (0):

Passed 5-0

3. 4543 Yerba Avenue Nuisance Abatement Hearing

Fiscal Impact: While there is no fiscal impact anticipated in the declaration of a nuisance and an order to abate, the City may incur expenses in an amount to be determined should it later be compelled to abate the nuisance with its own forces or a contractor.

Recommendation: Council adopt Draft Resolution Declaring a Public Nuisance at 4543 Yerba Avenue and Ordering Abatement of the Nuisance.

City Attorney Dave Fleishman presented this item. City Attorney Fleishman and Code Enforcement Officer Ayla Tomac answered questions from the Council.

Mayor Bourbeau opened the Public Comment period.

The following persons spoke on this item: Terri Stinson, Leanne Como, Susan Aggis

Mayor Bourbeau closed the Public Comment period.

MOTION BY: Funk
SECOND BY: Newsom

- 1. Adopt Draft Resolution Declaring a Public Nuisance at 4543 Yerba Avenue and Ordering Abatement of the Nuisance, with amended language in section five allowing for 45 days from date of service of notice to complete abatement (Resolution No. 2025-028)**

AYES (5): Newsom, Funk, Peek, Dariz and Bourbeau
ABSENT (0):

Passed 5-0

H. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS: The following Council Members gave brief update reports on their committees since their last Council meeting

Mayor Bourbeau

1. County Mayor's Round Table
2. Integrated Waste Management Authority (IWMA)

Mayor Pro Tem Dariz

1. Air Pollution Control District
2. Community Action Partnership of San Luis Obispo (CAPSLO)

Council Member Funk

1. Homeless Services Oversight Council

Council Member Newsom

1. City of Atascadero Finance Committee
2. City / Schools Committee

Council Member Peek

1. City of Atascadero Finance Committee
2. City/Schools Committee

I. INDIVIDUAL DETERMINATION AND / OR ACTION:

1. City Council
 - a. Mayor Bourbeau appointed Planning Commissioners Eric Pennachio and Gregory Heath to the DRC Committee and Council Members Peek and Funk to the Wastewater Working Group

J. ADJOURNMENT 9:32 P.M

MINUTES PREPARED BY:

Alyssa Slater
Deputy City Clerk

APPROVED:



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item E2

Department: Public Works
Date: 6/10/25
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER

FROM: NICK DEBAR, PUBLIC WORKS DIRECTOR/CITY ENGINEER

PREPARED BY: NICK DEBAR, PUBLIC WORKS DIRECTOR/CITY ENGINEER

SUBJECT: Authorizing Temporary Road Closures for 2025 Hot El Camino Cruise Nite and Colony Days Parade Routes

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution A, authorizing temporary road closures and restrictions on August 15, 2025, for the Hot El Camino Cruise Nite.
2. Adopt Draft Resolution B, authorizing temporary road closures and restrictions on October 18, 2025, for the Colony Days Parade.

DISCUSSION:

Historically, the City participates in two special events each year that require encroachment permits from Caltrans: Hot El Camino Cruise Nite and the Colony Days Parade. Both these events require an encroachment permit from Caltrans due to the closure of Highway 41 at El Camino Real and the closure of the US 101 northbound Highway 41 exit. In order to obtain a Caltrans encroachment permit, the City must provide Caltrans with a traffic control and detour plan for the Highway 41 and US 101 offramp closures. In addition, Caltrans requires a City Council resolution authorizing the temporary road closure of El Camino Real and the other streets affected along the routes.

The routes are currently planned to remain the same as recent years but will have a very different feel and downtown environment with completion of the ECR Project. Staff anticipates a better experience for participants and spectators with the changes from construction, including a better and steady pace for event vehicles through downtown. Spectators will not be allowed in the center median areas (ramblas) due to Police Department concerns with safety of the spectators. These areas will be signed for no parking and no spectator seating.

HOT EL CAMINO CRUISE NITE: FRIDAY, AUGUST 15, 2025 (EVENT 6:30 TO 8:30 P.M.)

The event begins at 6:30 p.m. but requires temporary road closures in advance of the start time to secure and clear the event route. The following road segments are proposed to be closed from 5:00 p.m. until 9:00 p.m. for the Hot El Camino Cruise Nite event:

- El Camino Real from Curbaril Avenue to Traffic Way
- San Luis Avenue from Curbaril Avenue to Pueblo Avenue
- Pueblo Avenue from San Luis Avenue to Sinaloa Avenue
- East Mall from El Camino Real to Palma Avenue
- West Mall from El Camino Real to Palma Avenue
- Entrada Avenue from El Camino Real to Lewis Avenue
- Traffic Way from El Camino Real to Lewis Avenue
- Palma Avenue from Traffic Way to West Mall

The following Saturday evening, “Dancing in the Streets,” a popular event that debuted in 2016, will have street closures that will only impact the downtown area from West Mall to Traffic Way. “Dancing in the Streets” is tentatively planned for Saturday, August 16, 2025 from 5:00 p.m. to 9:00 p.m. A resolution is not needed for this event since Caltrans highway operations are unaffected by the event.

COLONY DAYS PARADE: SATURDAY, OCTOBER 18, 2025 (EVENT 10:00 A.M. TO 1:00 P.M.)

The Colony Days Parade route is tentatively planned to begin the Lewis Avenue/West Mall intersection and travel south on Lewis Avenue/Capistrano Avenue, then west on Highway 41, then north on El Camino Real, then east on West Mall ending at the Lewis Avenue near City Hall. The following road segments are proposed to be closed from 5:00 p.m. until 9:00 p.m. for the Hot El Camino Cruise Nite event:

- El Camino Real from Highway 41 to Entrada Avenue
- East Mall from El Camino Real to Lewis Avenue
- West Mall from El Camino Real to Lewis Avenue
- Palma Avenue from Entrada Avenue to West Mall
- Lewis Avenue from Entrada Avenue to Capistrano Avenue
- Capistrano Avenue from Lewis Avenue to Highway 41
- Highway 41 from Capistrano Avenue to El Camino Real

Road closures for the Colony Days Parade occurs in two stages. The first stage occurs at 8:00 a.m. and is a “soft” closure that closes a portion of the parade route to allow floats and other participants to set up. The second stage occurs at 9:30 a.m. and is a “hard” closure that prohibits all unauthorized vehicles from driving through the parade route or any closed road.

A detail of each of the road closures is included in the Draft Resolutions (Attachments 1 & 2) and on the proposed route for Hot El Camino Cruise Nite and Colony Days (Attachment 3).

FISCAL IMPACT:

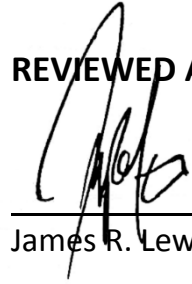
Cruise Nite incurs no net fiscal impact. The City cost of conducting the event is approximately \$20,000 and is included in the adopted budget. It is anticipated that these costs will be fully recovered through budgeted sponsorships and entry fees.

The Colony Days closure of the parade route is expected to take over 100 hours of budgeted staff time for road closure applications, set-up, and oversight of the road closure. Colony Days is a non-profit event co-sponsored by the City.

REVIEWED BY OTHERS:

This item has been reviewed by the Community Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENTS:

1. Draft Resolution A - Hot El Camino Cruise Nite
2. Draft Resolution B – Colony Days Parade
3. Map - Proposed Route for Hot El Camino Cruise Nite and Colony Days Parade

DRAFT RESOLUTION A

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AUTHORIZING TEMPORARY ROAD CLOSURES AND RESTRICTIONS FOR HOT EL CAMINO CRUISE NITE

BE IT RESOLVED, by the City Council of the City of Atascadero that the Hot El Camino Cruise Nite route is hereby established as: El Camino Real from Curbaril Avenue to Entrada Avenue to Palma Avenue to Traffic Way and returning to El Camino Real. Additionally, San Luis Avenue from Curbaril Avenue to Pueblo Avenue, and Pueblo Avenue from San Luis Avenue to El Camino Real, will be closed for participant registration and check-in activities.

BE IT FURTHER RESOLVED that in order to provide a closed route for the Cruise, the area described above is designated as a “No Parking” and tow-away zone from 5:00 p.m. until 9:00 p.m., on August 15, 2025.

BE IT FURTHER RESOLVED that the City Engineer is authorized to make modifications to the above road restrictions and associated traffic control plan as necessary to address conflicts, improve efficiencies, and for public health, welfare, and safety purposes.

PASSED AND ADOPTED at a regular meeting of the City Council held on the ___th day of _____, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION B

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AUTHORIZING TEMPORARY ROAD CLOSURES AND RESTRICTIONS FOR COLONY DAYS PARADE ROUTE

BE IT RESOLVED by the City Council of the City of Atascadero that the Colony Days Parade route is hereby established to begin at the intersection of Lewis Avenue/West Mall traveling south on Lewis Avenue/Capistrano Avenue to Highway 41, then west to El Camino Real, then north to West Mall, then east and ending at Lewis Avenue. Additionally, West Mall from Lewis Avenue to Olmeda Avenue and Olmeda Avenue from Traffic Way to West Mall will be closed for Colony Days Parade staging area.

BE IT FURTHER RESOLVED that in order to provide a reserved route for the Parade, staging and associated activities, the following actions are required:

Friday, October 3, 2025 through Saturday, October 4, 2025 – 24 hours

Establish “No Parking” and tow-away zone

- East Mall – South side only, from El Camino Real to Palma Avenue

Saturday, October 4, 2025 – 6:00 a.m. until 5:00 p.m.

Establish road closure and tow-away zone

- East Mall, from El Camino Real to Palma Avenue
- West Mall, from El Camino Real to Lewis Avenue
- Palma Avenue, from East Mall to West Mall

Saturday, October 4, 2025 – 8:00 a.m. until 1:00 p.m. (*Hard closure at 9:30 a.m.)

Establish road closure and tow-away zone

- Highway 41, from Capistrano Avenue to El Camino Real*
- El Camino Real, from Highway 41 to Entrada Avenue*
- Lewis Avenue, from Entrada Avenue to Capistrano Avenue*
- Capistrano Avenue, from Lewis Avenue to Highway 41*
- West Mall, from Lewis Avenue to Olmeda Avenue
- Olmeda Avenue, from Traffic Way to West Mall

BE IT FURTHER RESOLVED that the City Engineer is authorized to make modifications to the above road restrictions and associated traffic control plan as necessary to address conflicts, improve efficiencies, and for public health, welfare, and safety purposes.

PASSED AND ADOPTED at a regular meeting of the City Council held on the ____th day of _____ 2025.

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:

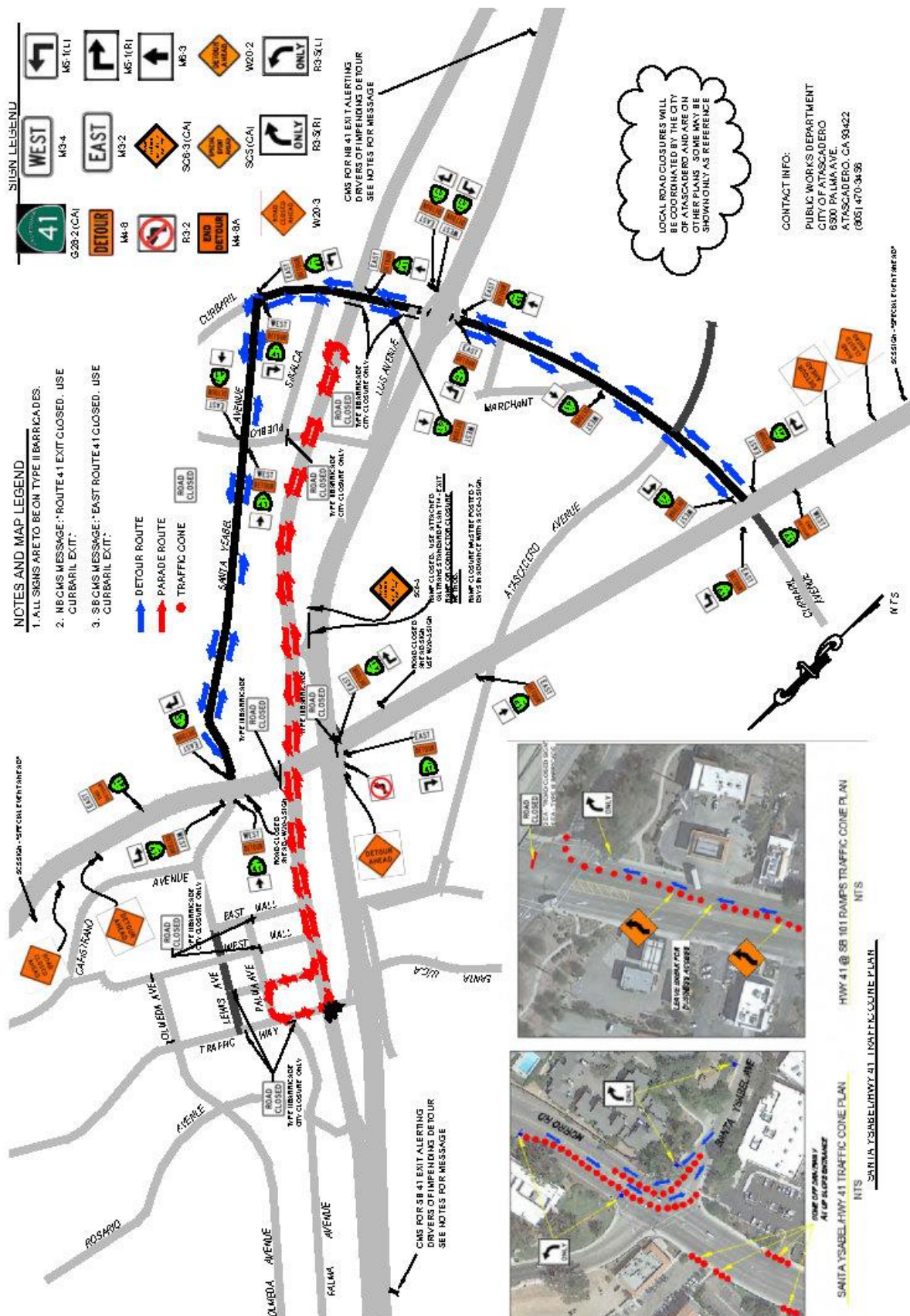
CITY OF ATASCADERO:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

Cruise Nite Route Map





CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item E3

Department: Public Works
Date: 6/10/25
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER

FROM: NICK DE BAR, PUBLIC WORKS DIRECTOR/CITY ENGINEER

PREPARED BY: NICK DE BAR, PUBLIC WORKS DIRECTOR/CITY ENGINEER

SUBJECT: Adopting a List of Projects for Fiscal Year 2025-2026 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 2025-2026.

REPORT IN BRIEF:

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. Pursuant to these SB 1 annual reporting guidelines, this report summarizes the SB 1 budgeted and estimated revenues FY17/18 through FY25/26 and recommends project allocation for the FY25/26 SB 1 funds.

DISCUSSION:

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 agencies’ roadway systems to have a comprehensive Pavement Condition Index (PCI) of 80 or higher – Atascadero’s last comprehensive PCI was 57 in 2024.



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 F-14 funds have been used exclusively on

collectors and residential (local) 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 FY17/18 through FY25/26.

SB 1 Funding Summary			
Fiscal Year	Budgeted	Actual / Estimated*	Difference
2017-2018	\$ 178,070	\$ 181,060	\$ 2,990
2018-2019	530,440	571,180	40,740
2019-2020	511,890	526,611	14,721
2020-2021	568,200	557,213	(10,987)
2021-2022	577,400	602,956	25,556
2022-2023	594,140	686,955	92,815
2023-2024	760,910	794,336	33,426
2024-2025	813,410	805,350 *	(8,060)
2025-2026	<u>834,170</u>	<u>834,170 *</u>	<u>0</u>
Total	\$ 5,368,630	\$ 5,559,831	\$ 191,201

In accordance with the adopted budget, staff recommends allocating the FY25/26 SB 1 funds toward the following projects:

- Santa Lucia Road Pavement Rehabilitation - Segments B and C. This project involves pavement rehabilitation, drainage improvements, culvert replacement, pavement markings, traffic signage, and other miscellaneous and related work for 2.0 miles of Santa Lucia Road between Portola Road and Llano Road.
- El Camino Real Pavement Rehabilitation – North (Phase II). This project includes pavement rehabilitation, culvert replacement, pavement markings, traffic signage and other miscellaneous and related work for 0.55 miles of El Camino Real between San Benito Road and Del Rio Road.

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, 2025.

ALTERNATIVES TO THE STAFF RECOMMENDATION:

Council may direct staff to allocate all or part of the estimated FY25/26 SB 1 funds to another budgeted capital project.

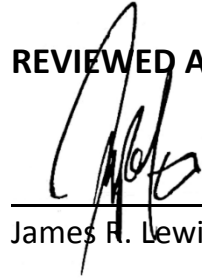
FISCAL IMPACT:

Approval of the Draft Resolution adopting the list of projects for SB 1 funding will allow the City to receive an estimated \$834,170 in Fiscal Year 2025-2026 SB 1 funding.

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENT:

Draft Resolution

DRAFT RESOLUTION

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2024-2025 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 multimodal 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 \$836,170 of RMRA funding in Fiscal Year 2025-2026 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 145 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 2024 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 following list of newly proposed projects will be funded in-part or solely with Fiscal Year 2025-26 Road Maintenance and Rehabilitation Account revenues:

Project: Santa Lucia Road Pavement Rehabilitation – Segments B and C

Description: Heavy pavement rehabilitation, drainage and culvert improvements, pavement markings, traffic signage, and other miscellaneous and related work for 2.0 miles of Santa Lucia Road.

Location: Portola Road to Llano Road

Estimated Useful Life: 20 years

Estimated Project Schedule (Design & Construction): Spring 2023 – Fall 2025

AND

Project: El Camino Real Pavement Rehabilitation – North (Phase II)

Description: Heavy pavement rehabilitation, culvert replacement, pavement markings, traffic signage and other miscellaneous and related work for 0.55 miles of El Camino Real.

Location: San Benito Road to Del Rio Road

Estimated Useful Life: 20 years

Estimated Project Schedule (Design & Construction): Spring 2025 – Summer 2026

PASSED AND ADOPTED at a regular meeting of the City Council held on the ____ day of _____, 2025.

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:

ABSTAIN:

CITY OF ATASCADERO:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item E4

Department: Community Development
Date: 06/10/2025
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER
FROM: PHIL DUNSMORE, COMMUNITY DEVELOPMENT DIRECTOR
PREPARED BY: KELLY GLEASON, PLANNING MANAGER
ERICK GOMEZ, ASSOCIATE PLANNER

SUBJECT: CFD Annexation: Notice of Intent (Dove Creek Mixed-Use)

RECOMMENDATION:

Council adopt Draft Resolution, declaring its intention to annex territory into Community Facilities District 2005-1 (Public Services) as Annexation No. 26 and to authorize the levy of special taxes therein (Dove Creek Mixed).

REPORT IN BRIEF:

At their June 25, 2024 meeting, the City Council conditionally approved a Zone Text Change, Vesting Tentative Parcel Map, and Conditional Use Permit with Modifications to Parking and Hotel Standards for the Dove Creek Mixed-Use project on a 4-0-1 vote. The applicant, Montage Development, Inc., is required to annex into the City's Community Facilities District (CFD) prior to recordation of their subdivision map and/or the issuance of any building permits for residential units. As permit review is nearing completion for the development, the applicant has petitioned the City to annex into the CFD.

In July 2004, as a key part of the adoption of the City's Comprehensive Financial Strategy, the Council addressed the need to recover all costs associated with new residential development by directing the formation of a CFD. California law allows the formation of such districts for the purpose of recovering the cost of providing public safety services, including police and fire services, and park services for new developments. CFDs ensure that new homeowners pay special taxes in order to sustain the service capability for emergency and non-emergency services to new growth areas in the City. Without such special taxes in place, most new residential units have a substantial negative impact on the General Fund.

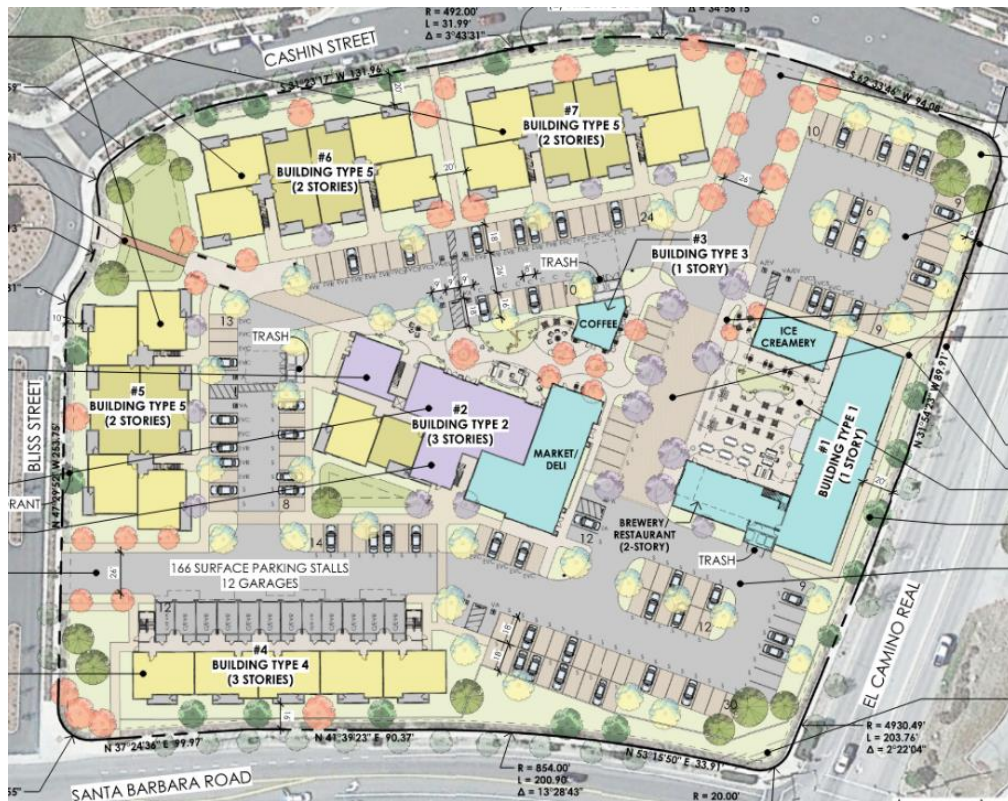
The Citywide CFD was established in 2005 consistent with this policy and a number of projects have been annexed into the CFD as a requirement prior to recordation of a final map and/or issuance of construction permits. With the resolution of intention, the City and the applicants are initiating the process of annexing the Dove Creek Mixed-Use project into the City's existing CFD.

The attached resolution establishes the date for the public hearing to complete the annexation. The date has been set for July 22, 2025. There are no registered voters in the area being annexed so the election will be a landowner vote. Following completion of the annexation, staff anticipates levying taxes on the parcels on which development has actually begun in the 2025-2026 tax year.

The mixed-use project was conditioned to be fiscally neutral through annexation into the existing Citywide CFD. Annexation into CFD 2005-1 will satisfy the project's conditions of approval and allow for the annexation vote to occur.

The Dove Creek commercial corner project consists of:

- 71 residential condominium units.
- A 20-room hotel.
- 14,840 SF of commercial tenant space.



Dove Creek Mixed Use Master Plan of Development

The CFD will be active on the entirety of the site however, based on the Rate and Method of Apportionment that established the methodology for annual levies, annual taxes are expected to be levied on only the residential properties/units as commercial development is generally fiscally neutral or positive. The CFD annual levy is currently \$844.78 per residential unit for the 2024-2025 tax year, and adjusts each year for inflation.

ALTERNATIVE:

Council may refer the item back to staff for additional review and analysis.

FISCAL IMPACT:

Assessments for this annexation are estimated to be \$59,979.38 annually, adjusted each year for inflation.

REVIEWED BY OTHERS:

This item has been reviewed by the City Attorney, Community Development Director and Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA

James R. Lewis, City Manager

ATTACHMENT(S):

1. Draft Resolution
2. Petition to Annex into CFD 2005-1 – No. 26

DRAFT RESOLUTION

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, DECLARING ITS INTENTION TO ANNEX TERRITORY INTO COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES) AS ANNEXATION NO. 26, AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN

WHEREAS, the CITY COUNCIL of the CITY OF ATASCADERO, CALIFORNIA (the “City Council”), has previously conducted proceedings to establish a community facilities district pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, as amended (the “Act”), Chapter 2.5, Part 1, Division 2, Title 5, commencing at Section 53311, of the Government Code of the State of California, thereof designated as COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES) (“CFD No. 2005-1”); and,

WHEREAS, the City Council has received a petition (including waivers) from the landowner requesting that it annex into CFD No. 2005-1 under the Act, to provide for the costs of services, and the City Council now desires to commence proceedings to annex territory into CFD No. 2005-1 as described herein; and

WHEREAS, under the Act, this City Council, as the legislative body for CFD No. 2005-1, is empowered with the authority to annex territory to CFD No. 2005-1 and now desires to undertake proceedings to annex territory to CFD No. 2005-1.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

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

SECTION 2. Public Convenience and Necessity. This City Council hereby determines that the public convenience and necessity requires that territory be annexed into CFD No. 2005-1 in order to pay the costs and expenses for the required and authorized public services.

SECTION 3. Boundaries. A general description of the territory included in the existing CFD No. 2005-1 is hereinafter described as follows: All that property and territory as originally included in the existing CFD No. 2005-1 heretofore recorded as Instrument No. 2005-037685 in the office of the County Recorder for the County of San Luis Obispo on May 9, 2005 in Book 5 at Page 11-13 of Maps of Assessments and Community Facilities Districts, to which map reference is hereby made, and as such map was amended as a result of prior annexations.

A description of the boundaries and territory proposed to be annexed is as follows: All that property and territory proposed to be annexed to CFD No. 2005-1, is shown on the Annexation Map for Annexation No. 26 to CFD No. 2005-1, on file in the Office of the City Clerk, the boundaries of which territory are hereby preliminarily approved and to which map reference is hereby made for further particulars. The area proposed to be annexed to CFD No. 2005-1 is as shown on the Annexation Map identified in Exhibit A. The City Clerk is hereby directed to cause to be recorded such Annexation Map, showing the territory to be annexed, in the office of the County Recorder of the County of San Luis Obispo within fifteen days of the date of adoption of this resolution.

SECTION 4. Services. The services which CFD No. 2005-1 is authorized to finance are in addition to those provided in or required for the territory within CFD No. 2005-1 and will not be replacing services already available. A general description of the services to be financed is as follows:

POLICE AND FIRE SERVICES

Police services and fire protection and suppression services (the “Services”) of the City of Atascadero required to sustain the service delivery capability for emergency and non-emergency services to new growth areas of the City of Atascadero, including but not limited to, related facilities, equipment, vehicles, ambulances and paramedics, fire apparatus, services, supplies and personnel; provided, however, that any increases in special taxes for costs related to employee wages and benefits shall be limited as provided in the Rate and Method of Apportionment of the Special Taxes to fund such Services.

PARK SERVICES

Park services of the City of Atascadero required for the operation and maintenance of public parks.

The City of Atascadero is authorized to finance and direct administrative and incidental annual costs and expenses necessary to provide the maintenance and servicing for public services. No additional services will be necessary or provided in CFD No. 2005-1 and the services as described for CFD No. 2005-1 will serve the properties within CFD No. 2005-1. It is presently intended that the services will be provided, without preference or priority, to the existing territory in CFD No. 2005-1 and the territory proposed to be annexed to CFD No. 2005-1.

SECTION 5. Special Taxes. It is the intention of this City Council that, except where funds are otherwise available, a special tax sufficient to pay for said services to be provided in CFD No. 2005-1 and Annexation No. 26, secured by recordation of a continuing lien against all non-exempt real property in Annexation No. 26, will be levied annually within the boundaries of Annexation No. 26 from and after the annexation of such property to CFD No. 2005-1. The special taxes shall be those as authorized through the formation of CFD No. 2005-1,

adopted by Ordinance of this legislative body, as amended by the adoption of Resolution 2018-001 and no changes or modifications are proposed in the special taxes from those as currently set forth and made applicable to CFD No. 2005-1 in accordance with Resolution 2018-001.

For particulars as to the rate and method of apportionment of the proposed special tax (the “RMA”), reference is made to the attached and incorporated Exhibit “B,” which sets forth in sufficient detail the method of apportionment to allow each landowner or resident within Annexation No. 26 to clearly estimate the maximum annual amount that said person will have to pay on said special tax.

The special taxes, to the extent possible, shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, CFD No. 2005-1 may utilize a direct billing procedure for any special taxes that cannot be collected on the County tax roll or may, by resolution, elect to collect the special taxes at a different time or in a different manner if necessary to meet its financial obligations.

SECTION 6. Public Hearing. Notice is given that on Tuesday, July 22, 2025, at 6:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of this City Council at the City of Atascadero, City Hall Council Chambers, 6500 Palma Ave, Atascadero, California, and the same are hereby appointed and fixed as the time and place when and where this City Council, as legislative body for CFD No. 2005-1, will conduct a public hearing on the annexation of territory to CFD No. 2005-1, and consider and finally determine whether the public interest, convenience and necessity require said annexation of territory to the CFD No. 2005-1 and the levy of said special tax therein.

SECTION 7. Notice. The City Clerk is hereby directed to cause notice of said public hearing to be given by publication one time in a newspaper of general circulation in the area of CFD No. 2005-1, including the area to be annexed to CFD No. 2005-1. The publication of the notice shall be completed at least seven days before the date herein set for said hearing. The City Clerk may also cause a copy of such notice to be mailed to the registered voters and landowners within the territory proposed to annexed, which shall be mailed at least fifteen days before the date of said hearing.

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:

ADOPTED:

CITY OF ATASCADERO

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

ANNEXATION NO. 26 BOUNDARY MAP

COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES)
CITY OF ATASCADERO
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF ATASCADERO, THIS ____ DAY OF _____, 20__.

CITY CLERK
CITY OF ATASCADERO

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO. 26 TO THE CITY OF ATASCADERO COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES), CITY OF ATASCADERO, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF ATASCADERO, AT A REGULAR MEETING THEREOF, HELD ON THE ____ DAY OF _____, 20__, BY RESOLUTION NO. _____

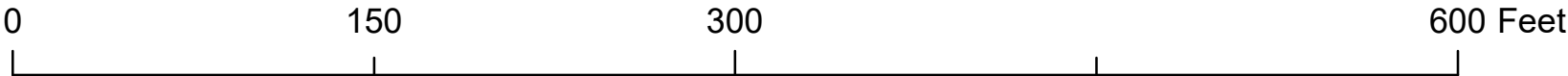
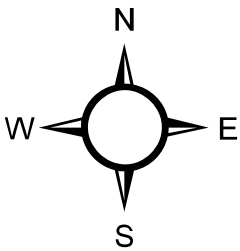
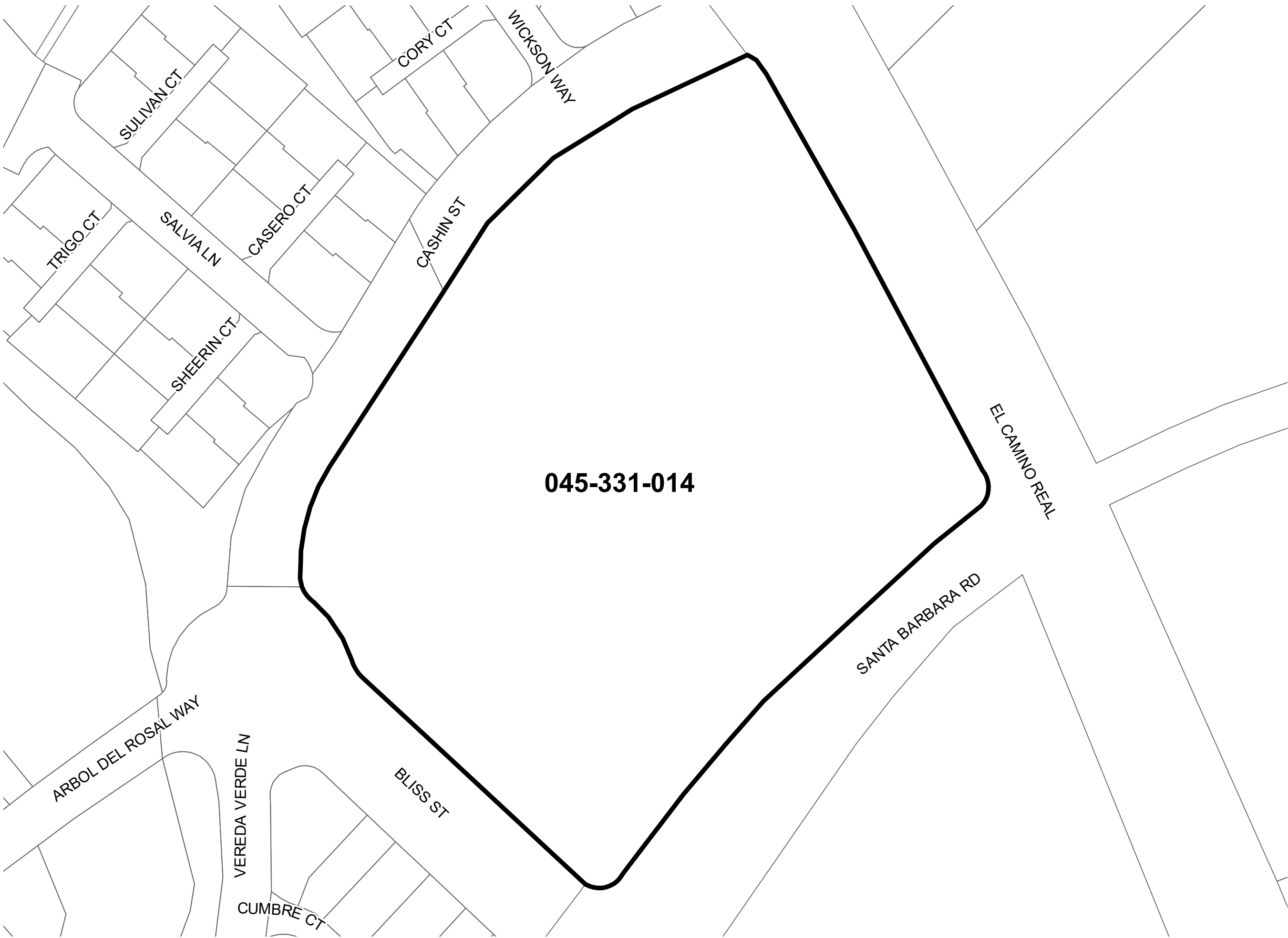
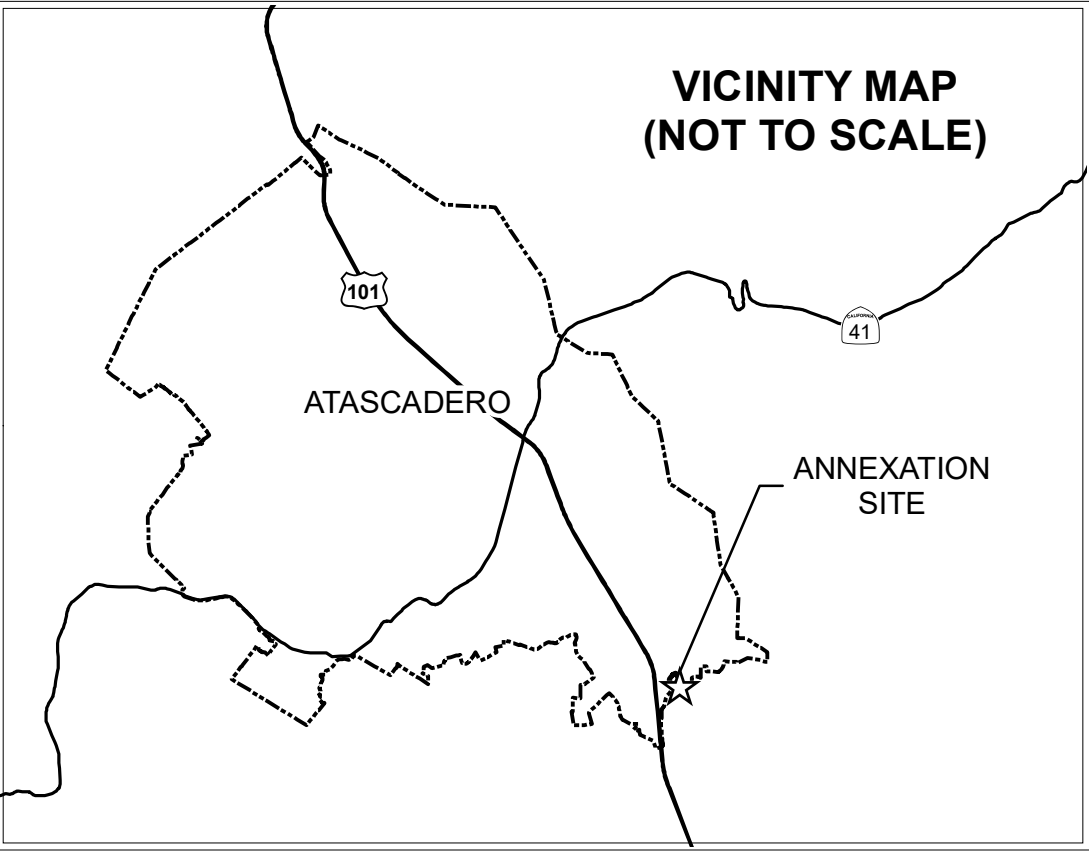
CITY CLERK
CITY OF ATASCADERO

RECORDED THIS ____ DAY OF _____, 20__ AT THE HOUR OF ____ O'CLOCK __M IN BOOK ____ PAGE ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA.

FEE: _____ NO.: _____
ELAINA CANO, COUNTY CLERK, RECORDER

BY: _____
COUNTY CLERK, SAN LUIS OBISPO COUNTY

REFERENCE IS HEREBY MADE TO THAT BOUNDARY MAP OF THE CITY OF ATASCADERO COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES) RECORDED WITH THE SAN LUIS OBISPO COUNTY RECORDER'S OFFICE ON MAY 9, 2005, DOCUMENT NO. 2005-037685 IN BOOK 5 PAGES 11-13 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS.



- LEGEND
- PARCEL LINE
 - CFD BOUNDARY
 - XXX-XXX-XXX ASSESSOR PARCEL NUMBER



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2024-2025.

**CITY OF ATASCADERO
COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC
SERVICES) RATE AND METHOD OF APPORTIONMENT**

A Special Tax of Community Facilities District No. 2005-1 (Public Services) of the City of Atascadero ("CFD") shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year commencing in Fiscal Year 2005-06 in an amount determined by the City through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map, other final map, other parcel map, other condominium plan, or functionally equivalent map or instrument recorded in the Office of the County Recorder. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or estimated costs incurred by the City as administrator of the CFD to determine, levy and collect the Special Taxes, including salaries, benefits and overhead costs of City employees whose duties are directly related to administration of the CFD and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports; and any other costs required to administer the CFD as determined by the City.

"Affordable Unit(s)" means dwelling units located on one or more Assessor's Parcels of Residential Property that are subject to deed restrictions, resale restrictions, and/or regulatory agreements recorded in favor of the City providing for affordable housing. Affordable Units will require annual application to the City for verification of their affordable housing status. The City will have the authority to approve and establish policies regarding Affordable Housing Dwelling Units and their status.

Affordable dwelling units shall be classified as Affordable Units by the CFD Administrator in the chronological order in which the building permits for such property are issued.

"Annual Escalation Factor" means the greater of, five percent (5%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-San Jose Area.

"Approved Property" means an Assessor's Parcel and/or Lot in the District, which has a Final Map recorded prior to January 1st preceding the Fiscal Year in which the Special Tax is being levied, but for which no building permit has been issued prior to the May 1st preceding the Fiscal Year in which the Special Tax is being levied. The term "Approved Property" shall apply only to Assessors' Parcels and/or Lots, which have been subdivided for the purpose of residential or commercial development, excluding any Assessor's Parcel that is designated as a remainder parcel determined by final documents and/or maps available to the CFD Administrator.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by assessor's parcel number.

"Base Year" means Fiscal Year ending June 30, 2006.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"CFD" means Community Facilities District No. 2005-1 (Public Services) of the City of Atascadero.

"City" means the City of Atascadero.

"Council" means the City Council of the City of Atascadero, acting as the legislative body of the CFD.

"County" means the County of San Luis Obispo, California.

"Developed Property" means all Taxable Property, exclusive of Property Owner Association Property, or Public Property, for which a building permit was issued after July 1, 2004 and prior to May 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Final Map" means an Assessor's Parcel Map, a final subdivision map, other parcel map, other final map, other condominium plan, or functionally equivalent map that has been recorded in the Office of the County Recorder.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Land Use Class" means any of the classes listed in Table 1.

"Lot" means property within a recorded Final Map identified by a lot number for which a building permit has been issued or may potentially be issued.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C below that can be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

"Multi-Family Residence" means all Assessor's Parcels of Developed Property for which a building permit has been issued for a residential structure consisting of two or more residential units that share common walls, including, but not limited to, duplexes, triplexes, townhomes, condominiums, apartment units, and secondary units as defined in Ordinance No. 454.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for a non- residential use and does not contain any residential units as defined under Residential Property or Multi-Family Property.

"Park Services" means the estimated and reasonable costs for maintaining authorized parks within the City.

"Property Owner Association Property" means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to, a property owner association, including any master or sub-association.

"Proportionately" means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

"Public Property" means any property within the boundaries of the CFD that is, at the time of the CFD formation or at the time of an annexation, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government,

the State, the County, the City or any other public agency.

"Public Safety Costs" means the estimated and reasonable costs of providing Public Safety services, including but not limited to (i) the costs of contracting for police and fire services, (ii) related facilities, equipment, vehicles, ambulances and paramedics, fire apparatus, supplies, (iii) the salaries and benefits of City staff if the City directly provides police and fire protection services, and (iv) City overhead costs associated with providing such services within the CFD. The Special Tax provides only partial funding for Public Safety.

"Residential Unit" means any residence in which a person or persons may live, which comprises an independent facility capable of conveyance separate from adjacent residential dwelling units and is not considered to be for commercial or industrial use. This includes Single-Family Residence and Multi-Family Residence.

"Single-Family Residence" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for purposes of constructing one residential dwelling unit.

"Special Tax" means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

"Special Tax Requirement" means that amount required in any Fiscal Year for the CFD to: (i) pay for Public Safety Costs; (ii) pay for Park Services; (iii) pay reasonable Administrative Expenses; (vi) pay any amounts required to establish or replenish any reserve funds; and (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or as defined below.

"Tax-Exempt Property" means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property designated by the City or CFD Administrator as Tax-Exempt Property.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Approved Property, including an Assessor's Parcel that is designated as a remainder parcel and is not identified as potential Public Property by any final document and/or maps available to the CFD Administrator.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year using the definitions above, all Taxable Property within the CFD shall be classified as Developed Property, Approved Property, Non-Residential Property, or Undeveloped Property. Developed Property shall further be classified as Residential Units as specified in Table 1 and shall be subject to Special Taxes pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX RATE**1. Developed Property**

TABLE 1
Maximum Special Tax for Developed Property
Community Facilities District No. 2005-1 (Public
Services)

Land Use Class	Description	Maximum Special Tax Per Unit
1	Residential Units	\$440 per Unit
2	Affordable Units	\$0 per Unit

On each July 1 following the Base Year, the Maximum Special Tax Rates shall be increased in accordance with the Annual Escalation Factor.

2. Approved Property

TABLE 2
Maximum Special Tax for Approved Property
Community Facilities District No. 2005-1 (Public Services)

Land Use Class	Description	Maximum Special Tax Per Lot
3	Approved Property	\$231 per Lot

On each July 1 following the Base Year, the Maximum Special Tax Rate shall be increased in accordance with the Annual Escalation Factor.

3. Non-residential Property

TABLE 3
Maximum Special Tax for Non-Residential Property
Community Facilities District No. 2005-1 (Public
Services)

Land Use Class	Description	Maximum Special Tax Per Acre
4	Non-Residential Property	\$1,848 per Acre

The minimum special tax Non-Residential Property shall be subject to is \$50 per parcel. On each July 1 following the Base Year, the Maximum Special Tax Rate for Non-Residential Property shall be increased in accordance with the Annual Escalation Factor.

4. Multiple Land Use Classes

In some instances an Assessor's Parcel may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax levies that can be imposed on all Land Use Classes located on that Assessor's Parcel.

5. Undeveloped Property

Undeveloped Property will be assigned a Maximum Special Tax Rate of \$410 per acre or portion thereof, with a minimum rate of \$100 for Undeveloped Property less than or equal to one-fourth (1/4) of an Acre as described in Table 4.

TABLE 4
Maximum Special Tax for Undeveloped Property
Community Facilities District No. 2005-1 (Public
Services)

Land Use Class	Description	Maximum Special Tax Per Parcel/Acre
5	Undeveloped Property 1/4 Acre	\$100 per Parcel
6	Undeveloped Property >1/4 Acre	\$410 per Acre

On each July 1 following the Base Year, the Maximum Special Tax Rate, for Undeveloped Property, shall be increased in accordance with the Annual Escalation Factor

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2005-06, and for each following Fiscal Year, the CFD Administrator shall calculate the Special Tax Requirement based on the definitions in Section A and levy the Special Tax until the amount of the Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Developed Property Proportionately between Residential Units up to 100% of the applicable Maximum Special Tax. Second, if the Special Tax Requirement has not been satisfied by the first step, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Approved Property up to 100% of the applicable Maximum Special Tax for Approved Property. Third, if the first two steps have not satisfied the Special Tax Requirement, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Non-Residential Property up to 100% of the applicable Maximum Special Tax for Non-Residential Property. Lastly, if the preceding steps have not satisfied the Special Tax Requirement, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax for Undeveloped Property.

E. APPEALS

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax. This notice is required to be filed with the CFD Administrator during the Fiscal Year the error is believed to have occurred. The CFD Administrator or designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

F. MANNER OF COLLECTION

Special Tax as levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD or as otherwise determined appropriate by the CFD Administrator.

G. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity or until such time as Council terminates the Special Tax.

**PETITION
(With Waivers)**

**Regarding Proceeding for Annexation of Territory to
Community Facilities District No. 2005-1 (Public Services)
and Related Matters**

To the Honorable City Council,
City of Atascadero
6500 Palma Avenue
Atascadero, CA 93422

Members of the Council:

This is a petition to institute proceedings to annex territory, including the property identified and described in Exhibit "A", to Community Facilities District No. 2005-1 (Public Services) (CFD No. 2005-1) within the City of Atascadero and related matters pursuant to the Mello-Roos Community Facilities Act of 1982, commencing with Section 53311 of the California Government Code of the State of California (the "Act"), and it states as follows:

1. Petitioner. This Petition is submitted by the person (the "Petitioner") (whether one or more) identified below as or for the record owner(s) of the parcels of land identified below (the "Property"). The undersigned warrants to the City of Atascadero that the Petitioner is such owner or is a legally authorized representative of such owner(s), and that such ownership constitutes ownership of more than 10% of the property to be annexed, described in Exhibit "A" attached hereto and more particularly described in Section 3 herein.

2. Proceedings Requested. This Petition asks that the City Council undertake proceedings under the Act to annex territory to CFD No. 2005-1 and to levy special taxes therein for the purpose of financing all or part of the public services (the "Services") shown in Exhibit "B" attached hereto and made a part hereof.

3. Boundaries. This Petition asks that the territory, to be included in the boundaries of the annexation, consist of that shown on a map of the proposed boundaries of Annexation No. 26 filed with the City Clerk of the City of Atascadero and which map is attached hereto as Exhibit "A" and hereby made a part this Petition and which map includes the Property.

4. Special Taxes. The Petitioner agrees that it has reviewed and approves the Rate and Method of Apportionment of Special Taxes attached hereto as Exhibit "C" and made a part hereof, which Rate and Method has previously been adopted by the City Council of the City of Atascadero to be used by the City for the levy of Special Taxes in CFD No. 2005-1 and any future annexations to CFD No. 2005-1 to pay for the Services.

5. Election. The Petitioner asks that the special election to be held under the Act, to authorize the special taxes and to establish any appropriations limits for Annexation No. 26, be conducted by the City of Atascadero and its officials, using a mailed or hand-delivered ballot and that such ballot be canvassed and the results certified at the same meeting of the City Council for the public hearing for Annexation No. 26 to CFD No. 2005-1 under the Act or as soon thereafter as possible.

6. Waivers. To expedite the completion of the proceedings for Annexation No. 26 to CFD No. 2005-1, the Petitioner waives all notices of hearing and all published notices regarding the annexation of territory of Annexation No. 26 to CFD No. 2005-1, notices of election, applicable waiting periods under the Act for the election and all ballot arguments and analysis for the election, it being acknowledged by the Petitioner that all such notices are for the benefit of the Petitioner and may be waived. The Petitioner agrees to timely complete and return a consent and waiver to be provided to Petitioner by the City of Atascadero in order to expedite such proceedings.

7. Authority Warranted. The Petitioner warrants to the City of Atascadero that presentation of Petition, any waivers contained herein, casting of ballots at the property owner election and other actions mandated by the City of Atascadero to annex Annexation No. 26 to CFD No. 2005-1 shall not constitute or be construed as events of default or delinquencies under any existing or proposed financing documents entered into or to be entered into by the Petitioner for the Property, including any "due-on-encumbrance" clauses under any existing security instruments secured by the Property. If requested by the City of Atascadero, the Petitioner agrees, at its expense, to supply to the City of Atascadero, current title evidence so that the City of Atascadero may supply any notice and ballot required under the Act to annex Annexation No. 26 to CFD No. 2005-1.

8. Due-Diligence and Disclosures. The Petitioner agrees to cooperate with the City of Atascadero, its attorneys and consultants, and provide all information and disclosures required by the City of Atascadero about the Special Taxes to purchasers of the Property or any part of it.

9. Agreements. The Petitioner further agrees to execute such additional or supplemental agreements as may be required by the City of Atascadero to provide for any of the actions and conditions under this Petition, including any amount of cash deposit required to pay for the City of Atascadero's costs to annex Annexation No. 26

to CFD 2005-1. By Executing this Petition, the Petitioner agrees to all of the above.

The Property in San Luis Obispo
County Assessor Parcel No(s):

045-331-014

and the property contains a total of **5.19**
acres

The Petitioner (record owner) is:

Scrap XXI, LLC

By: 

Title: Manager

Date: 5/28/25

The address for the above for receiving
any notice and ballot is:

Scrap XXI, LLC
c/o Stephen Ross
23945 Calabasas Rd. 207
Calabasas, CA 91302

EXHIBIT B

DESCRIPTION OF SERVICES

POLICE AND FIRE SERVICES

Police services and fire protection and suppression services (the "Services") of the City of Atascadero required to sustain the service delivery capability for emergency and non-emergency services to new growth areas of the City of Atascadero, including but not limited to, related facilities, equipment, vehicles, ambulances and paramedics, fire apparatus, services, supplies and personnel; provided, however, that any increases in special taxes for costs related to employee wages and benefits shall be limited as provided the Rate Method of Apportionment of Special to fund such Services.

PARK SERVICE

Park services of the City of Atascadero required for the operation and maintenance of public parks.

EXHIBIT C**RATE AND METHOD OF APPORTIONMENT**

**CITY OF ATASCADERO
COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES)
RATE AND METHOD OF APPORTIONMENT**

A Special Tax of Community Facilities District No. 2005-1 (Public Services) of the City of Atascadero ("CFD") shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year commencing in Fiscal Year 2005-06 in an amount determined by the City through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map, other final map, other parcel map, other condominium plan, or functionally equivalent map or instrument recorded in the Office of the County Recorder. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or estimated costs incurred by the City as administrator of the CFD to determine, levy and collect the Special Taxes, including salaries, benefits and overhead costs of City employees whose duties are directly related to administration of the CFD and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports; and any other costs required to administer the CFD as determined by the City.

"Affordable Unit(s)" means dwelling units located on one or more Assessor's Parcels of Residential Property that are subject to deed restrictions, resale restrictions, and/or regulatory agreements recorded in favor of the City providing for affordable housing. Affordable Units will require annual application to the City for verification of their affordable housing status. The City will have the authority to approve and establish policies regarding Affordable Housing Dwelling Units and their status.

Affordable dwelling units shall be classified as Affordable Units by the CFD Administrator in the chronological order in which the building permits for such property are issued.

"Annual Escalation Factor" means the greater of, five percent (5%) or the annual percentage change in the Consumer Price Index (CPI) of "All Urban Consumers" for the San Francisco-Oakland-San Jose Area.

"Approved Property" means an Assessor's Parcel and/or Lot in the District, which has a Final Map recorded prior to January 1st preceding the Fiscal Year in which the Special Tax is being levied, but for which no building permit has been issued prior to the May 1st preceding the Fiscal Year in which the Special Tax is being levied. The term "Approved Property" shall apply only to Assessors' Parcels and/or Lots, which have been subdivided for the purpose of residential or commercial development, excluding

any Assessor's Parcel that is designated as a remainder parcel determined by final documents and/or maps available to the CFD Administrator.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by assessor's parcel number.

"Base Year" means Fiscal Year ending June 30, 2006.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"CFD" means Community Facilities District No. 2005-1 (Public Services) of the City of Atascadero.

"City" means the City of Atascadero.

"Council" means the City Council of the City of Atascadero, acting as the legislative body of the CFD.

"County" means the County of San Luis Obispo, California.

"Developed Property" means all Taxable Property, exclusive of Property Owner Association Property, or Public Property, for which a building permit was issued after July 1, 2004 and prior to May 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Final Map" means an Assessor's Parcel Map, a final subdivision map, other parcel map, other final map, other condominium plan, or functionally equivalent map that has been recorded in the Office of the County Recorder.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Land Use Class" means any of the classes listed in Table 1.

"Lot" means property within a recorded Final Map identified by a lot number for which a building permit has been issued or may potentially be issued.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C below that can be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

"Multi-Family Residence" means all Assessor's Parcels of Developed Property for which a building permit has been issued for a residential structure consisting of two or more residential units that share common walls, including, but not limited to, duplexes, triplexes, townhomes, condominiums, apartment units, and secondary units as defined in Ordinance No. 454.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for a non-residential use and does not contain any residential units as defined under Residential Property or Multi-Family Property.

"Park Services" means the estimated and reasonable costs for maintaining authorized parks within the City.

"Property Owner Association Property" means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to, a property owner association, including any master or sub-association.

"Proportionately" means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

"Public Property" means any property within the boundaries of the CFD that is, at the time of the CFD formation or at the time of an annexation, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County, the City or any other public agency.

"Public Safety Costs" means the estimated and reasonable costs of providing Public Safety services, including but not limited to (i) the costs of contracting for police and fire services, (ii) related facilities, equipment, vehicles, ambulances and paramedics, fire apparatus, supplies, (iii) the salaries and benefits of City staff if the City directly provides police and fire protection services, and (iv) City overhead costs associated with providing such services within the CFD. The Special Tax provides only partial funding for Public Safety.

"Residential Unit" means any residence in which a person or persons may live, which comprises an independent facility capable of conveyance separate from adjacent residential dwelling units and is not considered to be for commercial or industrial use. This includes Single-Family Residence and Multi-Family Residence.

"Single-Family Residence" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for purposes of constructing one residential dwelling unit.

"Special Tax" means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

"Special Tax Requirement" means that amount required in any Fiscal Year for the CFD to: (i) pay for Public Safety Costs; (ii) pay for Park Services; (iii) pay reasonable Administrative Expenses; (vi) pay any amounts required to establish or replenish any reserve funds; and (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or as defined below.

"Tax-Exempt Property" means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property designated by the City or CFD Administrator as Tax-Exempt Property.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Approved Property, including an Assessor's Parcel that is designated as a remainder parcel and is not identified as potential Public Property by any final document and/or maps available to the CFD Administrator.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year using the definitions above, all Taxable Property within the CFD shall be classified as Developed Property, Approved Property, Non-Residential Property, or Undeveloped Property. Developed Property shall further be classified as Residential Units as specified in Table 1 and shall be subject to Special Taxes pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX RATE**1. Developed Property**

TABLE 1
Maximum Special Tax for Developed Property
Community Facilities District No. 2005-1 (Public Services)

Land Use Class	Description	Maximum Special Tax Per Unit
1	Residential Units	\$440 per Unit
2	Affordable Units	\$0 per Unit

On each July 1 following the Base Year, the Maximum Special Tax Rates shall be increased in accordance with the Annual Escalation Factor.

2. Approved Property

TABLE 2
Maximum Special Tax for Approved Property
Community Facilities District No. 2005-1 (Public Services)

Land Use Class	Description	Maximum Special Tax Per Lot
3	Approved Property	\$231 per Lot

On each July 1 following the Base Year, the Maximum Special Tax Rate shall be increased in accordance with the Annual Escalation Factor.

3. Non-residential Property

TABLE 3
Maximum Special Tax for Non-Residential Property
Community Facilities District No. 2005-1 (Public Services)

Land Use Class	Description	Maximum Special Tax Per Acre
4	Non-Residential Property	\$1,848 per Acre

The minimum special tax Non-Residential Property shall be subject to is \$50 per parcel. On each July 1 following the Base Year, the Maximum Special Tax Rate for Non-Residential Property shall be increased in accordance with the Annual Escalation Factor.

4. Multiple Land Use Classes

In some instances an Assessor's Parcel may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax levies that can be imposed on all Land Use Classes located on that Assessor's Parcel.

5. Undeveloped Property

Undeveloped Property will be assigned a Maximum Special Tax Rate of \$410 per acre or portion thereof, with a minimum rate of \$100 for Undeveloped Property less than or equal to one-fourth (1/4) of an Acre as described in Table 4.

TABLE 4
Maximum Special Tax for Undeveloped Property
Community Facilities District No. 2005-1
(Public Services)

Land Use Class	Description	Maximum Special Tax Per Parcel/Acre
5	Undeveloped Property 1/4 Acre	\$100 per Parcel
6	Undeveloped Property >1/4 Acre	\$410 per Acre

On each July 1 following the Base Year, the Maximum Special Tax Rate, for Undeveloped Property, shall be increased in accordance with the Annual Escalation Factor

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2005-06, and for each following Fiscal Year, the CFD Administrator shall calculate the Special Tax Requirement based on the definitions in Section A and levy the Special Tax until the amount of the Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Developed Property Proportionately between Residential Units up to 100% of the applicable Maximum Special Tax. Second, if the Special Tax Requirement has not been satisfied by the first step, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Approved Property up to 100% of the applicable Maximum Special Tax for Approved Property. Third, if the first two steps have not satisfied the Special Tax Requirement, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Non-Residential Property up to 100% of the applicable Maximum Special Tax for Non-Residential Property. Lastly, if the preceding steps have not satisfied the Special Tax Requirement, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax for Undeveloped Property.

E. APPEALS

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax. This notice is required to be filed with the CFD Administrator during the Fiscal Year the error is believed to have occurred. The CFD Administrator or designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

F. MANNER OF COLLECTION

Special Tax as levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD or as otherwise determined appropriate by the CFD Administrator.

G. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity or until such time as Council terminates the Special Tax.



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item H1

Department: Public Works
Date: 06/10/25
Placement: Public Hearing

TO: JAMES R. LEWIS, CITY MANAGER

FROM: NICK DE BAR, DIRECTOR OF PUBLIC WORKS/CITY ENGINEER

PREPARED BY: RYAN BETZ, PUBLIC WORKS ANALYST

SUBJECT: Proposition 218 Majority Protest Process Relative to Proposed Increase to Wastewater (Sewer) Rates

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; and
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 10, 2025.

REPORT IN BRIEF:

The City is proposing to increase wastewater rates in order to accommodate the costs of providing wastewater services due to a number of key factors including but not limited to rising treatment (chemicals and technical analysis) and energy costs; impacts of regulation and legislation; and past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure. A Wastewater Rate Analysis (Analysis) was completed in 2025 that proposed increases to sewer service charges. Increasing wastewater rates must comply with Proposition 218, which requires certain procedures to be followed with regard to “property-related” fee increases imposed by governmental agencies.

The City Council reviewed the rate analysis and proposed wastewater rates at their April 22, 2025 meeting and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system. The Council also set a Public Hearing for June 10, 2025 to consider proposed wastewater rate increases and receive any protests from parcel owners subject to the rate increases. If a majority of valid protests are received by the deadline established, the City cannot increase the proposed rates in accordance with Proposition 218. If a majority of protests are not received, the City may go ahead with the proposed rate increases.

DISCUSSION:

Background:

The City of Atascadero provides wastewater collection and treatment service for nearly all commercial and industrial properties, as well as a portion of the City's residential population. Sewered parcels are generally within the more urban core of Atascadero, with approximately 2,000 acres of the roughly 15,000 acres within the City boundary connected to the sewer system. Within this area, there are approximately 5,500 parcels, with the remainder of the City's population served by private on-site septic systems. Wastewater services are considered a community investment that helps ensure public health and safety, economic prosperity, and maximizes land use potential and reasonable development and expansion for businesses, residents and other community buildings. The City of Atascadero assumed ownership and operation of the wastewater collection and treatment system from the Atascadero County Sanitation District in 1982 shortly after incorporation (1979). While there have been upgrades, modifications, and additions to wastewater treatment facilities, the overall process has not changed significantly since 1982 and is considered a stabilization pond treatment system. Such systems are no longer permissible or able to be operated or built as a result of the regulatory environment in California.

Wastewater Funding

Customers connected to the City's sanitary sewer system are billed a fixed charge for the City's service to collect and treat the wastewater, which is called a sewer service charge or wastewater service charge. This fixed rate methodology is used since the City is not the water supplier and does not have access to individual customer water consumption data without the customer's or Atascadero Mutual Water Company's consent. The fixed charge used by the City is based upon Equivalent Dwelling Units (EDUs), where one EDU is the basis for a single-family residence (SFR) service charge, based upon both an estimated average daily flow of 240 gallons of wastewater and relative wastewater strength provided by the residence. Other connection users are assigned a multiple or fraction of an EDU based upon expected average daily flow and strength of wastewater compared to that of SFR. For example, an apartment or condo is 0.75 EDUs and charged 0.75 times that of a SFR service charge, and a restaurant with less than 40 seats is four EDUs and charged 4 times that of a SFR service charge. The increased charge for a restaurant or certain other commercial uses is not just based on volume but also on the strength of the wastewater which may include cleaners, other chemical products, and stronger waste materials that impact the treatment process. The City currently has approximately 8,300 EDUs in the system. Sewer service charges are collected by placing a levy each year on the property taxes of individual customers through San Luis Obispo County. The City provides data to the County, including the Assessor's Parcel Number (APN), and the associated sewer service charge being

levied on the property. The charge is included as a line item on the customer's property tax statements. Revenue from sewer service charges are paid to the City twice each year.

Council directed staff at its April 22, 2025 meeting to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system. Council also set a Public Hearing for June 10, 2025 for its consideration of the proposed wastewater rate increases. Staff prepared and sent out notices to property owners on April 24, 2025, which meets the 45-day noticing requirement for the Public Hearing. A copy of the notice (Attachment 1) is included as reference.

Wastewater Rate Analysis

The City is dedicated to keeping rates low by maintaining lean staffing levels, absorbing increasing operational and maintenance costs, and using reserves when necessary. However, much like other utilities and services delivered to homes and businesses, the costs involved to collect and treat wastewater have risen and continue to rise. As described in the previous section of this report, the capital needs of the wastewater collection and treatment systems have been identified in detail. In addition to other minor projects, the most significant capital projects identified consist of the WRF Retrofit and Secondary Treatment Improvements totaling over \$100 million, and improvements to the collection system. Cost estimates for the combined wastewater collection and treatment system capital needs exceeds \$173 million, although the rate analysis excludes all projects except the WRF and the highest priority sewer main project.

Tuckfield & Associates, an independent financial consultant, completed a comprehensive wastewater rate analysis for the City's wastewater enterprise in April 2025. This analysis reviewed the City's wastewater services, wastewater enterprise revenue and revenue requirements, and current rate structure over the next five years. The study also analyzed and determined the cost of providing wastewater services and their corresponding impacts to customer's bills. This analysis identified a number of key factors that result in the proposed rates. These key factors include, but are not limited to:

- Impacts of State regulation and legislation
- Rising treatment and energy costs
- Past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure

Based upon this analysis, the wastewater rate study recommends annual increases of 18.5% over the next two years to fund the WRF design, operations and maintenance and emergency work in the collection system. Staff recognizes that future rate increases, principally related to the investment for the WRF Retrofit and Secondary Treatment Improvement project, will be necessary and the subject of discussion over the next two years while working on a comprehensive implementation plan. The current monthly sewer service charge of \$48.15 per EDU (equivalent to a single-family residence) is proposed to increase by \$8.91 for a total monthly rate of \$57.06 in FY25/26. The table on the next page shows the current and proposed FY25/26 sewer service charges for the various connection user categories.

CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES				
Classification Description	EDU ³ Multiple	Unit of Measure	Monthly Rate	
			Current	Proposed ¹
Residential Fixed Charges				
Single Family	1.00	Dwelling Unit	\$ 48.15	\$ 57.06
Apartment, Condo	0.75	Dwelling Unit	\$ 36.11	\$ 42.79
Mobile Home	0.60	Spaces	\$ 28.89	\$ 34.23
Senior Apartment Unit	0.35	Dwelling Unit	\$ 16.85	\$ 19.97
Non-Residential Fixed Charges				
Financial Institutions	2.00	Unit	\$ 96.30	\$ 114.12
Bars	1.50	Unit	\$ 72.23	\$ 85.59
Carwash	7.50	Unit	\$ 361.13	\$ 427.94
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 64.04	\$ 75.89
150 to 250 seats	2.66	Seats	\$ 128.08	\$ 151.77
> 250 seats	3.00	Seats	\$ 144.45	\$ 171.17
Commercial Unit	1.00	Unit	\$ 48.15	\$ 57.06
Funeral Home	9.00	Unit	\$ 433.35	\$ 513.52
Gas Station	2.00	Unit	\$ 96.30	\$ 114.12
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$ 385.20	\$ 456.46
Gymnasium	10.00	Unit	\$ 481.50	\$ 570.58
Laundry	9.00	Unit	\$ 433.35	\$ 513.52
Motel (per room)	0.33	Room	\$ 15.89	\$ 18.83
Office Unit	1.00	Unit	\$ 48.15	\$ 57.06
Rest Home (per bed)	0.35	Bed	\$ 16.85	\$ 19.97
Restaurants				
< 40 seats	4.00	Seats	\$ 192.60	\$ 228.23
40 to 60 seats	6.00	Seats	\$ 288.90	\$ 342.35
61 to 100 seats	8.00	Seats	\$ 385.20	\$ 456.46
> 100 seats	10.00	Seats	\$ 481.50	\$ 570.58
Schools (per student enrolled on March. 1)	0.05	Student	\$ 2.41	\$ 2.86
Theater	4.00	Unit	\$ 192.60	\$ 228.23
Veterinarians	3.00	Unit	\$ 144.45	\$ 171.17
Unlisted Uses ²	1.00	Unit	\$ 48.15	\$ 57.06

¹ Proposed Rates effective July 10, 2025

² Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

³ EDU = Equivalent Dwelling Unit is the average daily flow and strength of wastewater discharge from single family residence (240 gallons per day with BOD₅=250 ml/L and SS=250 ml/L).

As part of the wastewater rate analysis, the proposed increase for the City of Atascadero was compared to neighboring communities in San Luis Obispo County as of January 2025. The proposed rate is below the median in San Luis Obispo County. While rates would remain below

the median over the next two years, major, required capital improvements will likely move Atascadero's rates above the median.

Public Hearing Procedures/Next Steps:

The Council should open the Public Hearing and receive public comment and protests. Protests must be in writing and contain the required information below, as described in the mailed notice and Resolution 2019-033, which established procedures for the submission and tabulation of protests in connection with Proposition 218 rate hearings:

1. A statement it is a protest against the proposed rate that is the subject of the hearing.
2. Name of the property owner or record customer who is submitting the protest.
3. Identification of assessor's parcel number and/or street address of the parcel with respect to which the protest is made.
4. Original, wet signature and legibly printed name of the property owner or record customer who is submitting the protest.
5. Date the protest was signed.
6. A certification, by the named property owner affirming the contents of the protest are true and correct.

At the conclusion of the public hearing, the City Clerk shall tabulate all valid protests received, including those received prior to the conclusion of the public hearing, and shall report the result to the City Council. If the number of protests received is insufficient to constitute a majority protest, then the City Clerk may determine the absence of a majority protest without validating the protests received but may instead deem them all valid without further examination. Further, if the number of protests received is obviously substantially fewer than the number required to constitute a majority protest, then the City Clerk may determine the absence of a majority protest without opening the envelopes which contain the protests.

If the City Clerk determines that additional time is needed to validate and tabulate the protests because the City Clerk has not made the determination described above, then the City Clerk shall so advise the City Council, which may continue the related portion of the meeting to allow the validation and tabulation to be completed on another day or days. If so, then the City Council shall declare the time and place of tabulation, which shall be conducted in a place where interested members of the public may observe the tabulation, and the City Council shall declare the time at which the meeting shall be continued to receive and act on the tabulation report of the City Clerk.

There are 5,611 parcels connected to the sanitary sewer system and subject to the proposed rate increases. Therefore, there needs to be 2,806 or more valid protests for the majority protest to occur, whereby no proposed rate increase may be adopted. After the City Clerk determines the results of the protest process, the City Council will adopt one of two Draft Resolutions setting forth the results of the protest process. If the majority of property owners do not protest, the City Council may go forward with approving the proposed rate increases. In accordance with Title 7, Chapter 10 (7-10.001) of the Municipal Code, the sewer service rates are adopted by Resolution. To avoid confusion, the City Attorney's office recommends that the new rates are not effective for at least 30 days following adoption, or effective beginning July 10, 2025.

ALTERNATIVES TO THE STAFF RECOMMENDATION:

1. If a majority protest is not received by property owners, Council has the option to reduce the proposed rate increases but may not increase the rate over that proposed. Staff does not recommend this alternative because the proposed sewer rate increase is necessary to ensure there is sufficient funding to begin the preliminary engineering and cost estimates for the WRF retrofit to meet State requirements.
2. Council could take no action.

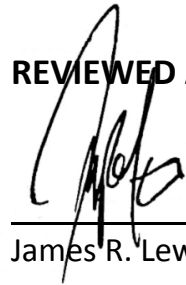
FISCAL IMPACT:

If the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate, the City Council may adopt Draft Resolution A and C. Doing so will result in an estimated \$895,000 in additional revenue from sewer service charges collected in FY25/26.

REVIEWED BY OTHERS:

This item has been reviewed by the City Attorney and Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA:



James R. Lewis, City Manager

ATTACHMENTS:

1. Notice Concerning Proposed Wastewater Rate Increases and Public Hearing
2. Draft Resolution A Setting Forth the Results of the Protest Process (Non-Majority Protest)
3. Draft Resolution B Setting Forth the Results of the Protest Process (Majority Protest)
4. Draft Resolution C Approving Proposed Wastewater Rates Effective July 10, 2025

NOTICE CONCERNING PROPOSED WASTEWATER INCREASES AND PUBLIC HEARING



To Property Owner/Customer:

NOTICE IS HEREBY GIVEN that on **Tuesday, June 10, 2025, at 6:00 p.m.**, a Public Hearing will be held in-person at the City of Atascadero Council Chambers located at 6500 Palma Avenue, Atascadero, California 93422 to consider proposed increases in wastewater rates. If approved by the City Council, the proposed rate increases will be effective for services provided on or after July 10, 2025.

WHY ARE THE RATE CHANGES BEING CONSIDERED?

The City is dedicated to keeping rates low by maintaining lean staffing levels, absorbing increasing operational and maintenance costs, and using reserves when necessary. However, much like other utilities and services delivered to homes, the costs involved to collect and treat wastewater have risen and continue to rise. An independent analysis determined annual rate increases would be needed over a two-year period. This year's rate increase represents the first of that period.

INDEPENDENT ANALYSIS

The City engaged an independent consulting engineer to assess and analyze the capital needs of the wastewater collection and treatment systems. The independent engineer identified numerous capital facility replacements and upgrades required to continue to provide a safe and reliable wastewater system. In addition to other minor projects, the most significant capital projects identified consist of the Water Reclamation Facility (WRF) treatment process improvements totaling in excess of \$100 million, and Lift Stations No. 3 and No. 6. The cost estimates for all these needs exceed \$173 million, although the rate study excludes most projects except the WRF improvements and the highest priority sewer collection project.

Additionally, the City engaged an independent financial consultant to analyze its wastewater services, revenues, and rates and prepare a wastewater rate study. The City commissioned this analysis to determine the cost of providing wastewater services and their corresponding impacts to customers' bills. This analysis identified a number of key factors that result in the proposed rates. These key factors include, but are not limited to:

- Rising treatment and energy costs
- Impacts of regulation and legislation
- Past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure

PROPOSED WASTEWATER REVENUE INCREASES

The City proposes to increase its wastewater service charges. All wastewater customers would be charged a fixed monthly wastewater service charge in the same manner as they are currently charged. Customers of the wastewater system are charged proportionally to their wastewater flow and relative strength contributed to the wastewater collection and treatment facilities. Current and proposed wastewater service charges are provided on the following page.

WASTEWATER MONTHLY BILL IMPACT FOR THE AVERAGE RESIDENTIAL CUSTOMER

The wastewater bill for a single-family residential customer will increase by \$8.91 per month under the proposed rates. The table below provides the increase in monthly charges for residential customers in 2025-2026.

Residential Classification	FY 2025-26 Monthly Rate		
	Current	Proposed ¹	Difference
Single Family	\$ 48.15	\$ 57.06	\$ 8.91
Apartment, Condo	\$ 36.11	\$ 42.79	\$ 6.68
Mobile Home	\$ 28.89	\$ 34.23	\$ 5.34
Senior Apartment Unit	\$ 16.85	\$ 19.97	\$ 3.12

¹ Proposed Rates effective July 10, 2025

Revenues derived from the proposed rate changes do not exceed the revenue requirements needed to provide the property-related services by the City, nor will the revenues from the rates and charges referenced herein be used for any purpose other than that for which the corresponding rates are imposed. The amount of the proposed rates imposed upon any parcel or person as an incident of property ownership will not exceed the proportional cost of the service(s) attributable to such parcel; and no rate will be imposed for a service unless that service is used by, or immediately available to the property or customer in question.

PUBLIC HEARING AND PROTEST PROCEEDING

The City Council will hear and consider all written protests and oral comments to the proposed rate increases at the Public Hearing. All interested parties are invited to participate in the public hearing and present written protests and/or oral comments on the proposed rate increases referenced herein. Direction and information for participating in the meeting will be available on the City Council Agenda & Minutes webpage. Agendas are available on the City's website:

www.atascadero.org/agendas.

Oral comments made at the public hearing will not qualify as formal protests of the proposed rate increases unless accompanied by a written protest setting forth the required information (as detailed below). Upon the conclusion of the Public Hearing, the City Council will consider adoption of a resolution authorizing the rate increases to the City's wastewater service charges as described in this Notice. If written protests against the proposed rate increases and adjustments to the wastewater rates as outlined are not presented by a majority of property owners of the identified parcels upon which the wastewater rates are proposed to be imposed, the City Council will be authorized to impose the respective rate increases and adjustment. If adopted, the proposed rate increases to the wastewater service charges will be in effect beginning July 10, 2025.

CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES				
Classification Description	EDU ³ Multiple	Unit of Measure	Monthly Rate	
			Current	Proposed ¹
Residential Fixed Charges				
Single Family	1.00	Dwelling Unit	\$ 48.15	\$ 57.06
Apartment, Condo	0.75	Dwelling Unit	\$ 36.11	\$ 42.79
Mobile Home	0.60	Spaces	\$ 28.89	\$ 34.23
Senior Apartment Unit	0.35	Dwelling Unit	\$ 16.85	\$ 19.97
Non-Residential Fixed Charges				
Financial Institutions	2.00	Unit	\$ 96.30	\$ 114.12
Bars	1.50	Unit	\$ 72.23	\$ 85.59
Carwash	7.50	Unit	\$ 361.13	\$ 427.94
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 64.04	\$ 75.89
150 to 250 seats	2.66	Seats	\$ 128.08	\$ 151.77
> 250 seats	3.00	Seats	\$ 144.45	\$ 171.17
Commercial Unit	1.00	Unit	\$ 48.15	\$ 57.06
Funeral Home	9.00	Unit	\$ 433.35	\$ 513.52
Gas Station	2.00	Unit	\$ 96.30	\$ 114.12
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$ 385.20	\$ 456.46
Gymnasium	10.00	Unit	\$ 481.50	\$ 570.58
Laundry	9.00	Unit	\$ 433.35	\$ 513.52
Motel (per room)	0.33	Room	\$ 15.89	\$ 18.83
Office Unit	1.00	Unit	\$ 48.15	\$ 57.06
Rest Home (per bed)	0.35	Bed	\$ 16.85	\$ 19.97
Restaurants				
< 40 seats	4.00	Seats	\$ 192.60	\$ 228.23
40 to 60 seats	6.00	Seats	\$ 288.90	\$ 342.35
61 to 100 seats	8.00	Seats	\$ 385.20	\$ 456.46
> 100 seats	10.00	Seats	\$ 481.50	\$ 570.58
Schools (per student enrolled on March. 1)	0.05	Student	\$ 2.41	\$ 2.86
Theater	4.00	Unit	\$ 192.60	\$ 228.23
Veterinarians	3.00	Unit	\$ 144.45	\$ 171.17
Unlisted Uses ²	1.00	Unit	\$ 48.15	\$ 57.06

¹ Proposed Rates effective July 10, 2025

² Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

³ EDU = Equivalent Dwelling Unit is the average daily flow and strength of wastewater discharge from single family residence (240 gallons per day with BOD₅=250 ml/L and SS=250 ml/L).

Pursuant to State Law, written protests may be submitted by any record property owner of a parcel, subject to the proposed City rate changes, against any or all of the proposed rate changes described in this Notice. However, only one written protest will be counted per identified parcel. Any written protest must: (1) state that the identified property owner is in opposition to the proposed increases to the wastewater rates; (2) provide the location of the identified parcel [by street address or assessor's parcel number (APN)]; (3) include the printed name and original, wet signature of the property owner submitting the protest; (4) date the protest was signed; and (5) certification by the named property owner that the contents of the protest are true and correct. Written protests may be submitted by mail or in person to the City Clerk at 6500 Palma Avenue, Atascadero, CA 93422, or at the Public Hearing on June 10, 2025 (date, time, and location specified on the front of this Notice), provided they are received prior to the close of the Public Hearing, which will occur when the public testimony on the proposed increases and adjustments is concluded. Due to the inability to verify the authenticity of each individual protest, protests received by telephone, electronic mail (e-mail), or via social media sites, including, but not limited to, Facebook or X shall **NOT** be accepted. Please identify on the front of the envelope for any written protest, whether mailed or submitted in person to the City Clerk, the following: "Attn: Protest Wastewater Rate Increases". Written protest in marked envelopes may be submitted in person by dropping them off in the locked box in the foyer at City Hall. For more information or questions about the proposed wastewater rate increases, written protest submittal procedures, or public testimony options at the Public Hearing, you may contact the Department of Public Works at (805) 470-3456 or visit the City's website at www.atascadero.org/Prop218. Additional information and protest procedures will be available on the City's website not later than April 22nd, 2025.

ESTA CARTA ESTÁ DISPONIBLE EN ESPAÑOL, LLAME A CINDY CHAVEZ (805) 470-3484

DRAFT RESOLUTION A

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, SETTING FORTH THE RESULTS OF PROTESTS IN CONNECTION WITH WASTEWATER (SEWER) RATE HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF PROPOSITION 218

WHEREAS, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

WHEREAS, the City Council adopted Resolution No. 2019-033 establishing procedures for the submission and tabulation of protests in connection with rate hearings conducted pursuant to the requirements set forth in Article XIID of the California Constitution to help ensure that the rights of those persons that are authorized to protest service charges are preserved; and

WHEREAS, a Wastewater Rate Analysis was prepared for the City of Atascadero's Wastewater Enterprise and recommends increases to wastewater rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

WHEREAS, the City Council reviewed the Wastewater Rate Analysis at their regular meeting on April 22, 2025 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for June 10, 2025 to consider proposed wastewater rate increases; and

WHEREAS, notices of the proposed wastewater rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

WHEREAS, the City Council conducted a Public Hearing for proposed wastewater rates on June 10, 2025 to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

WHEREAS, the City Clerk has tabulated all valid protests received by the conclusion of the June 10, 2025 Public Hearing and has determined that the number of valid protests received is insufficient to constitute a majority protest (50% plus 1).

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

SECTION 1: Recitals. The above recitals are true and correct and are hereby incorporated by reference.

SECTION 2: Protest Votes. The number of unique parcels eligible to file a protest was 5,611. The number of valid protests required to prevent adoption of the proposed rate increases is 2,806. The number of valid protests received by the City at the end of the June 10, 2025 Public Hearing was _____.

SECTION 3: Results of Protests. The tabulation by the City Clerk of the number of valid protests received on proposed wastewater rates is accepted and sets forth that the protest results conclude that there is an insufficient number of valid protests received to constitute a majority protest to the proposed wastewater rates, whereby allowing the consideration to adopt proposed wastewater rates.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June, 2025.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

CITY OF ATASCADERO:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION B

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, SETTING FORTH THE RESULTS OF PROTESTS IN CONNECTION WITH WASTEWATER (SEWER) RATE HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF PROPOSITION 218

WHEREAS, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

WHEREAS, the City Council adopted Resolution No. 2019-033 establishing procedures for the submission and tabulation of protests in connection with rate hearings conducted pursuant to the requirements set forth in Article XIID of the California Constitution to help ensure that the rights of those persons that are authorized to protest service charges are preserved; and

WHEREAS, a Wastewater Rate Analysis was prepared for the City of Atascadero's Wastewater Enterprise and recommends increases to wastewater rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

WHEREAS, the City Council reviewed the Wastewater Rate Analysis at their regular meeting on April 22, 2025 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for June 10, 2025 to consider proposed wastewater rate increases; and

WHEREAS, notices of the proposed wastewater rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

WHEREAS, the City Council conducted a Public Hearing for proposed wastewater rates on June 10, 2025 to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

WHEREAS, the City Clerk has tabulated all valid protests received by the conclusion of the June 10, 2025 Public Hearing and has determined that the number of valid protests received is sufficient to constitute a majority protest (50% plus 1).

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

SECTION 1: Recitals. The above recitals are true and correct and are hereby incorporated by reference.

SECTION 2: Protest Votes. The number of unique parcels eligible to file a protest was 5,611. The number of valid protests required to prevent adoption of the proposed rate increases is 2,806. The number of valid protests received by the City at the end of the June 10, 2025 Public Hearing was _____.

SECTION 3: Results of Protests. The tabulation by the City Clerk of the number of valid protests received on proposed wastewater rates is accepted and sets forth that the protest results conclude that there is a sufficient number of valid protests received to constitute a majority protest to the proposed wastewater rates, whereby disallowing the consideration to adopt proposed wastewater rates.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June, 2025.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

CITY OF ATASCADERO:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION C

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ESTABLISHING WASTEWATER RATES (SEWER SERVICE CHARGES) FOR THE WASTEWATER DIVISION

WHEREAS, the City of Atascadero owns and operates a municipal wastewater collection and treatment system for the safe and reliable disposal of wastewater in accordance with applicable regulations; and

WHEREAS, the City of Atascadero levies and imposes a monthly sewer service charge, as provided by resolution of the City Council, upon the property owners of any parcels or premises within the City that has any sewer connection or discharges wastewater to the municipal wastewater collection and treatment system; and

WHEREAS, a Wastewater Rate Analysis was prepared by Tuckfield & Associates for the City of Atascadero's Wastewater Division that recommends increases to wastewater rates (sewer service charges) to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

WHEREAS, the City Council reviewed the Wastewater Rate Analysis at their regular meeting on April 22, 2025 and set a Public Hearing for June 10, 2025 to consider proposed wastewater rate increases; and

WHEREAS, the City Council conducted a Public Hearing for proposed wastewater rates on June 10, 2025 to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

WHEREAS, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

WHEREAS, the City Clerk tabulated all valid protests received by the conclusion of the June 10, 2025 Public Hearing and has determined that the number of valid protests received is insufficient to constitute a majority protest (50% plus 1); and

WHEREAS, the City Council accepted the City Clerk's tabulation by Resolution No. 2025-___ at the June 10, 2025 Public Hearing which sets forth that the protest results conclude that there was an insufficient number of valid protests received to constitute a majority protest to the proposed wastewater rates, whereby allowing the consideration to adopt proposed wastewater rates.

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

SECTION 1: Recitals. The above recitals are true and correct and are hereby incorporated by reference.

SECTION 2: Sewer Service Charges Established. The Proposed Sewer Service Charges as set forth in Exhibit A, attached hereto and incorporated herein by this reference, are hereby approved and shall become effective thirty (30) days from adoption on July 10, 2025.

SECTION 3: Previous resolutions establishing Sewer Service Charges are superseded upon the effective date of the Sewer Service Charges as established in Section 2 above, and are hereby rescinded and rendered moot.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June, 2025.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

CITY OF ATASCADERO:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

EXHIBIT A

CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES				
Classification Description	EDU³ Multiple	Unit of Measure	Monthly Rate	
			Current	Proposed¹
Residential Fixed Charges				
Single Family	1.00	Dwelling Unit	\$ 48.15	\$ 57.06
Apartment, Condo	0.75	Dwelling Unit	\$ 36.11	\$ 42.79
Mobile Home	0.60	Spaces	\$ 28.89	\$ 34.23
Senior Apartment Unit	0.35	Dwelling Unit	\$ 16.85	\$ 19.97
Non-Residential Fixed Charges				
Financial Institutions	2.00	Unit	\$ 96.30	\$ 114.12
Bars	1.50	Unit	\$ 72.23	\$ 85.59
Carwash	7.50	Unit	\$ 361.13	\$ 427.94
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 64.04	\$ 75.89
150 to 250 seats	2.66	Seats	\$ 128.08	\$ 151.77
> 250 seats	3.00	Seats	\$ 144.45	\$ 171.17
Commercial Unit	1.00	Unit	\$ 48.15	\$ 57.06
Funeral Home	9.00	Unit	\$ 433.35	\$ 513.52
Gas Station	2.00	Unit	\$ 96.30	\$ 114.12
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$ 385.20	\$ 456.46
Gymnasium	10.00	Unit	\$ 481.50	\$ 570.58
Laundry	9.00	Unit	\$ 433.35	\$ 513.52
Motel (per room)	0.33	Room	\$ 15.89	\$ 18.83
Office Unit	1.00	Unit	\$ 48.15	\$ 57.06
Rest Home (per bed)	0.35	Bed	\$ 16.85	\$ 19.97
Restaurants				
< 40 seats	4.00	Seats	\$ 192.60	\$ 228.23
40 to 60 seats	6.00	Seats	\$ 288.90	\$ 342.35
61 to 100 seats	8.00	Seats	\$ 385.20	\$ 456.46
> 100 seats	10.00	Seats	\$ 481.50	\$ 570.58
Schools (per student enrolled on March. 1)	0.05	Student	\$ 2.41	\$ 2.86
Theater	4.00	Unit	\$ 192.60	\$ 228.23
Veterinarians	3.00	Unit	\$ 144.45	\$ 171.17
Unlisted Uses ²	1.00	Unit	\$ 48.15	\$ 57.06

¹ Proposed Rates effective July 10, 2025² Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.³ EDU = Equivalent Dwelling Unit is the average daily flow and strength of wastewater discharge from single family residence (240 gallons per day with BOD₅=250 ml/L and SS=250 ml/L).

From: B. Lynch <[REDACTED]>
Sent: Thursday, May 29, 2025 5:29 AM
To: City Council <CityCouncil@atascadero.org>
Subject: 6-10-25 Wastewater Rate Support

Please support the proposed increases to rates to fund necessary improvements to the wastewater systems.

You need only look back to the original versus final costs for the Los Osos sewer system to see that delay simply increases the cost and in the case of an existing system, such as ours, will increase interim maintenance costs on top of that. Some unfortunate future Council will then have to face the public with the bad news.

Please be mindful that you represent all of us and not just the small portion of complainers. I support your efforts to do the right thing for the future and not just the easy thing for the present.

Thank you for your willingness to serve the community. I know it isn't always appreciated.

Sincerely, B. Lynch

ATTENTION:

This email originated from outside the City's network. **Use caution when opening links and attachments.**



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item H2

Department: Community
Development
Date: 6/10/25
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER

FROM: LORELI CAPPEL, DEPUTY DIRECTOR ECONOMIC & COMMUNITY
DEVELOPMENT

PREPARED BY: LORELI CAPPEL, DEPUTY DIRECTOR OF ECONOMIC & COMMUNITY
DEVELOPMENT

SUBJECT: Downtown Parking and Business Improvement Area (DPBIA) Assessment
Confirmation of Annual Assessment for Fiscal Year 2025-2026

RECOMMENDATION:

Council adopt Draft Resolution, confirming the annual assessment for the Downtown Parking and Business Improvement Area (DPBIA) for Fiscal Year 2025-2026.

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 Parking and 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 (DPBIA) assessment and hold a public hearing confirming the assessment. The City Council adopted a draft Resolution of Intention on May 13, 2025, and set a public hearing for June 10, 2025 to receive public comment.

The

Chamber of Commerce serves as the advisory body and the sub-contractor to the City regarding the DPBIA. An informal committee of downtown business owners advises the Chamber of Commerce on expenditures and assists in the creation of the annual DPBIA budget. As part of the contract, the Chamber provides an annual accounting of expenditures for the DPBIA funds.

The Chamber has submitted a report, which was provided to the Council at the May 13, 2025, meeting and is Exhibit A to the proposed Resolution confirming the assessment. The DPBIA assessments collected by the City are estimated at approximately \$14,500 annually. The recommended action would confirm the assessment and collection of these funds for downtown revitalization activities for 2025/2026. The report does not propose any changes to the boundaries of the DPBIA or of the assessment.

	2024-2025 ESTIMATED	2025-2026 REQUESTED
<u>REVENUES</u>		
BIA Assessments- Received from the City	\$ 14,620	\$ 14,500
Revenue from Events	-	-
Total Revenues	<u>14,620</u>	<u>14,500</u>
<u>EXPENSES</u>		
Events	(668)	(4,000)
Beautification/Miscellaneous		(31,000)
Bank Service Charge	(18)	
Marketing	(5,265)	(5,000)
Administration	(1,462)	(1,450)
Total Expenses	<u>(7,413)</u>	<u>(41,450)</u>
Net Income	7,207	(26,950)
BEGINNING AVAILABLE BALANCE	<u>36,354</u>	<u>43,561</u>
ENDING AVAILABLE BALANCE	<u>\$ 43,561</u>	<u>\$ 16,611</u>

The City will collect funds for the DPBIA along with business license fees in December and January.

FISCAL IMPACT:

Adopting the staff recommendation will result in the collection of approximately \$14,500 and expenditure of \$14,500 in budgeted DPBIA funds.

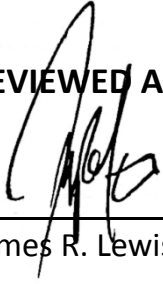
ALTERNATIVES:

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.

REVIEWED BY OTHERS:

This item was reviewed by the Administrative Services Director and the Deputy City Manager.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENTS:

1. 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 2025/2026

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 and 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 and 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 and 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. 2025-007 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 2025-2026; and

WHEREAS, on June 10, 2025, 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 2025-2026, 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 2025-2026.

SECTION 3. The City Council directs staff to make appropriations in the City's budget in accordance with such a report.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June 2024.

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:

ABSTAINED:

CITY OF ATASCADERO:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

Exhibit A

Atascadero Chamber of Commerce Downtown Parking and Business Improvement Area Annual Report for Fiscal Year 2025-2026

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 2025-2026. 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 2025-2026 is as follows:

	2024-2025 ESTIMATED	2025-2026 REQUESTED
<u>REVENUES</u>		
BIA Assessments- Received from the City	\$ 14,620	\$ 14,500
Revenue from Events	-	-
Total Revenues	<u>14,620</u>	<u>14,500</u>
<u>EXPENSES</u>		
Events	(668)	(4,000)
Beautification/Miscellaneous		(31,000)
Bank Service Charge	(18)	
Marketing	(5,265)	(5,000)
Administration	<u>(1,462)</u>	<u>(1,450)</u>
Total Expenses	<u>(7,413)</u>	<u>(41,450)</u>
Net Income	7,207	(26,950)
BEGINNING AVAILABLE BALANCE	<u>36,354</u>	<u>43,561</u>
ENDING AVAILABLE BALANCE	<u>\$ 43,561</u>	<u>\$ 16,611</u>

This report shall be filed with the City Clerk on behalf of the DPBIA for Fiscal Year 2025-2026.



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item H3

Department: Community
Services &
Promotions
Date: 6/10/25
Placement: Public Hearing

TO: JAMES R. LEWIS, CITY MANAGER
FROM: TERRIE BANISH, DIRECTOR COMMUNITY SERVICES & PROMOTIONS
PREPARED BY: TERRIE BANISH, DIRECTOR COMMUNITY SERVICES &
PROMOTIONS

SUBJECT: Atascadero Tourism Business Improvement District (ATBID)
Confirmation of Annual Assessment (FY 2025-2026)

RECOMMENDATION:

Council adopt Draft Resolution, confirming the annual Business Improvement District assessment on lodging businesses within the Atascadero Tourism Business Improvement District (Fiscal Year 2025-2026).

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 and Highways Code (Section 36500 et. Seq.). The budget for the ATBID is submitted in conjunction with the City's annual budget.

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.

The Streets and Highways Code requires that the Advisory Board provide a specific 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 identify: (1) proposed activities, programs, and projects for the fiscal year; (2) the approximate cost of such activities, programs and projects for the fiscal year; (3) the method and basis of levying the assessment; (4) the amount of surplus

or deficit revenues carried over from a previous fiscal year; and (5) contributions received other than assessments. The annual report must meet the requirements of the California Streets and Highways Code §36533. The City Council may approve the report as filed or may modify any contained in the report and approve it as modified.

Assessments are collected and remitted by each lodging business equal to 2.5% of the rent charged by the business as defined in Atascadero Municipal Code Section 3-16 and Section 3-03. ATBID assessment revenue in fiscal year 2025-2026 is expected to be approximately \$510,800, which includes the Assessment increase from 2% to 2.5% that started on January 9, 2025. The Assessment increase of 0.5% is focused on improvements to the Zoo and adjacent areas in Lake Park to drive events, tourism and additional hotel stays. Expenses for 2025-2026 are projected to be \$503,680. The net change in the fund balance for 2025-2026 is projected to be \$23,400, and the fund balance is projected to be \$752,280 on June 30, 2026.

The Annual Report includes the above assumptions. Following the public hearing, staff recommends that Council adopt the Resolution. Adoption of the Resolution constitutes the levying of the assessment.

FISCAL IMPACT:

Annual assessments are expected to be approximately \$510,800 and expenditure are budgeted at \$503,680 for fiscal year 2025-2026.

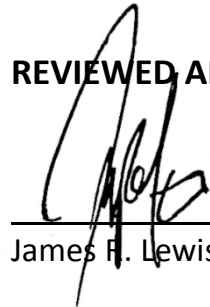
ALTERNATIVE:

Council may direct staff to amend the Resolution before adoption.

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA

A handwritten signature in black ink, appearing to read 'James R. Lewis', is written over a horizontal line.

James R. Lewis, City Manager

ATTACHMENT:

1. Draft Resolution

DRAFT RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, CONFIRMING THE ANNUAL BUSINESS IMPROVEMENT DISTRICT ASSESSMENT ON LODGING BUSINESSES WITHIN THE ATASCADERO TOURISM BUSINESS IMPROVEMENT DISTRICT (ATBID) FOR FISCAL YEAR 2025/2026

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 and a half percent (2.5%) 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 and Highways Code of the State of California; and

WHEREAS, the City Council, having received the annual report from the ATBID, adopted Resolution No. 2025-006, 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 2025-2026; and

WHEREAS, on June 10, 2025, 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 and a half percent (2.5%) 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 ___th day of June 2025.

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item H4

Department: Administrative Services
Date: 6/10/25
Placement: Public Hearing

TO: JAMES R. LEWIS, CITY MANAGER

FROM: JERI RANGEL, DIRECTOR OF ADMINISTRATIVE SERVICES

PREPARED BY: CINDY CHAVEZ, DEPUTY DIRECTOR OF ADMINISTRATIVE SERVICES

SUBJECT: 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 2025/2026.
2. Adopt Draft Resolution B, ordering the levy and collection of assessments for fiscal year 2025/2026 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 2025/2026.
4. Adopt Draft Resolution D, ordering the levy and collection of assessments for fiscal year 2025/2026 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 2025/2026 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.

An Assessment Information Notice was mailed to all property owners in late April. 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, and the proposed and current levies for both districts.

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 43% of the allowable maximum annual assessment and the Street and Storm Drain District is about 58% of the allowable maximum annual assessment.

D	A A F	A P A F
A M	\$ 5	\$ 5
A M	\$ 9	\$ 9

The levies for fiscal year 2025/2026 are proposed with no increases and reserves are sufficient for now; however, staff predicts that the districts will likely see future increased costs due to aging infrastructure and increases in utilities, materials, and labor costs. City staff will continue to maximize efficiencies and minimize these increases as much as possible.

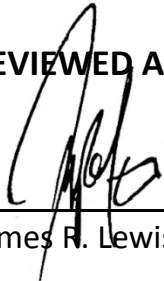
FISCAL IMPACT:

Annual assessments for 2025/2026 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 \$10,750 for half the cost of the park will be made from the City's General Fund, \$6,770 of which will be from contributions made by the developer.

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

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 2025/2026

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 2025/2026, said fiscal year starting July 1, 2025 and ending June 30, 2026; 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 2025/2026" (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 2025/2026.

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 ___th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION B

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025/2026 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, 2025 and ending June 30, 2026; 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, 2025 and ending June 30, 2026, 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, 2025 and ending June 30, 2026.

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, 2025 and ending June 30, 2026.

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 ____th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

CITY OF ATASCADERO

Fiscal Year 2025/26 Engineer's Report

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

May 2025

Prepared by:



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

6500 Palma Avenue
Atascadero, CA 93422
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CITY COUNCIL

Charles Bourbeau, Mayor

Mark Dariz, Mayor Pro Tem

Susan Funk, Council Member

Seth Peek, Council Member

Heather Newsom, Council Member

AGENCY STAFF

Jim Lewis, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Tim Seufert, Client Services Director

Adina McCargo, Project Manager

Danielle Robison, 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 13, 2025, 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 2025/26:

FY 2025/26 Summary of Assessment

Description	Amount
Estimated Annual Costs	\$21,850
Capital Reserve Collection/(Uses)	24,090
Levy Adjustments	(7,440)
Balance to Levy	\$38,500
Fiscal Year 2025/26 Maximum Rate	\$954.49
Fiscal Year 2025/26 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 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. 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 2025/26.

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 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 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 rights-of-way 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 rights-of-way 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 rights-of-way 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	2025/26 Assessment
DIRECT COSTS	
Streets, Roads & Storm Drain Improvements	
Street Maintenance	\$8,600
Inspection & Operational Services - Roads, Drainage	6,980
Traffic Sign Replacement	0
Total Annual Direct Costs	\$15,580
ADMINISTRATION EXPENSES	
City Annual Administration	\$2,020
Engineer's Report & Services	4,050
Public Noticing	200
Total Annual Administration Costs	\$6,270
TOTAL DIRECT & ADMINISTRATION COSTS	\$21,850
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	(\$16,214)
Interest Income - Operating Reserve Fund	(346)
Reserve Fund Collection/(Use)	9,120
Total Levy Adjustments	(\$7,440)
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	\$954.49
FUND BALANCE INFORMATION	
Beginning Operating Reserve Balance	\$11,967
Operational Reserve Interest	346
Surplus Transfer from Improvement Fund	9,330
Operational Reserve Collection (Use)	(7,440)
Estimated Ending Operating Reserve Balance	\$14,203
Beginning Improvement Fund Balance	\$633,836
Improvement Fund Interest	16,214
Surplus Transfer to Operations Fund	(9,330)
Improvement Fund Collection/(Use)	24,090
Estimated Ending Improvement Fund Balance	\$664,810

⁽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 3.000% for Fiscal Year 2025/26.

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.

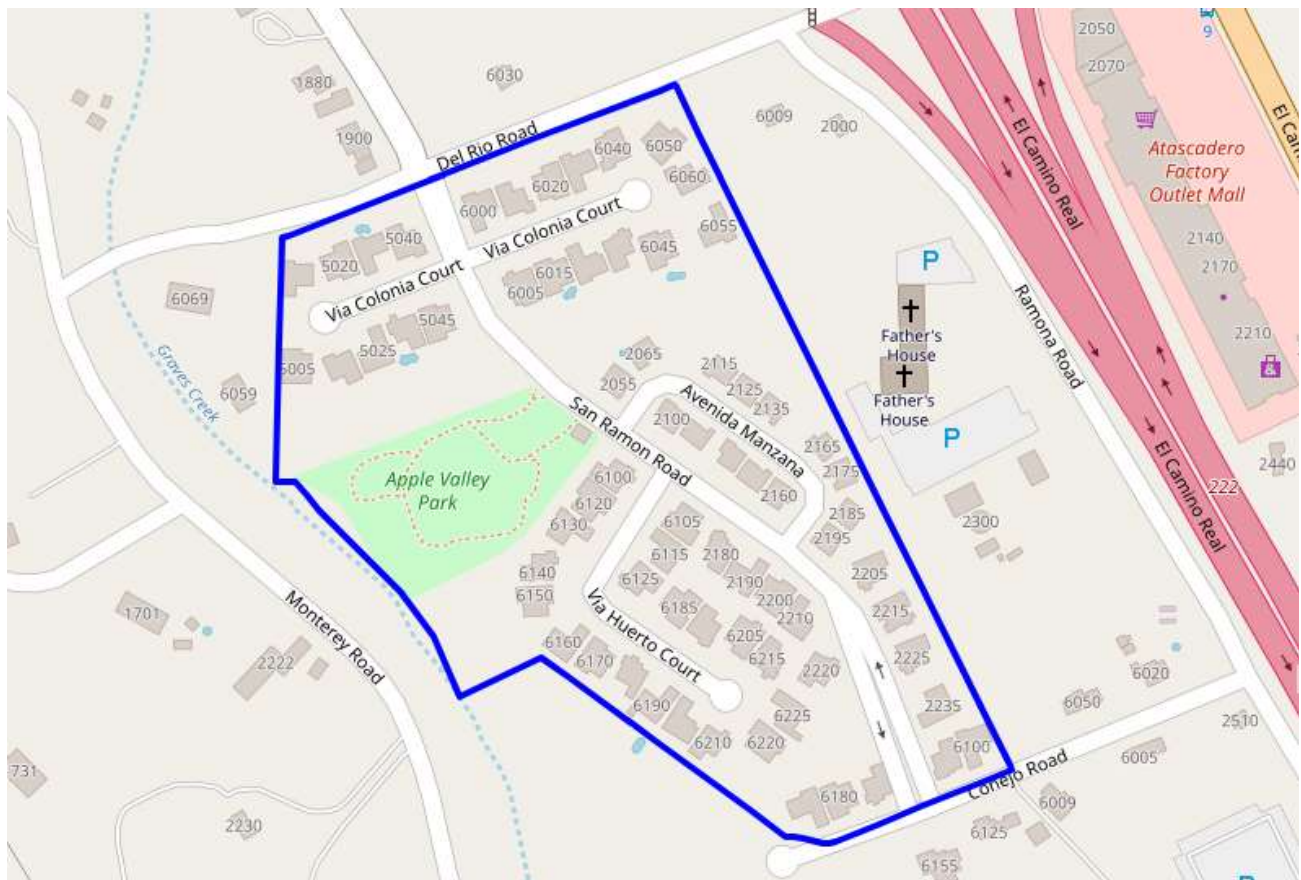
Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the 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.



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, rights-of-way, 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 assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the assessment amounts applied to each of the new assessor's 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 amount.

City of Atascadero
Street & Storm Drain Maintenance No. 1
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-191-039	1975 SAN RAMON RD	XMT	0.0	\$0.0000	\$0.00
049-191-040	1980 SAN RAMON RD	XMT	0.0	0.0000	0.00
049-191-041	DEL RIO	XMT	0.0	0.0000	0.00
049-192-001	6000 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-002	6010 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-003	6020 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-004	6030 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-005	6040 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-006	6050 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-007	6060 VIA COLONIA RD	SFR	1.0	954.4988	550.00
049-192-008	6055 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-009	6045 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-010	6035 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-011	6025 VIA COLONIA RD	SFR	1.0	954.4988	550.00
049-192-012	6015 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-013	6005 VIA COLONIA RD	SFR	1.0	954.4988	550.00
049-192-014	5045 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-015	5035 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-016	5025 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-017	5015 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-018	5005 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-019	5010 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-020	5020 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-021	5030 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-192-022	5040 VIA COLONIA CT	SFR	1.0	954.4988	550.00
049-193-001	6100 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-002	6120 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-003	6130 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-004	6140 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-005	6150 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-006	6160 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-007	6170 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-008	6180 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-010	6200 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-011	6210 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-012	6220 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-013	6225 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-014	6215 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-015	6205 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-016	6195 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-017	6185 VIA HUERTO RD	SFR	1.0	954.4988	550.00
049-193-018	6125 VIA HUERTO CT	SFR	1.0	954.4988	550.00

Slight variances may occur due to rounding

City of Atascadero
Street & Storm Drain Maintenance No. 1
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-193-019	6115 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-020	6105 VIA HUERTO CT	SFR	1.0	954.4988	550.00
049-193-021	2180 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-022	2190 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-023	2200 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-024	2210 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-025	2220 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-026	6190 CONEJO RD	SFR	1.0	954.4988	550.00
049-193-027	6180 CONEJO RD	SFR	1.0	954.4988	550.00
049-193-028	6160 CONEJO RD	SFR	1.0	954.4988	550.00
049-193-029	6140 CONEJO RD	SFR	1.0	954.4988	550.00
049-193-030	6100 CONEJO RD	SFR	1.0	954.4988	550.00
049-193-031	2235 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-032	2225 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-033	2215 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-034	2205 SAN RAMON RD	SFR	1.0	954.4988	550.00
049-193-035	2195 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-036	2185 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-037	2175 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-038	2165 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-039	2135 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-040	2125 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-041	2115 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-042	2065 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-043	2055 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-044	2100 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-045	2110 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-046	2140 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-047	2150 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-048	2160 AVENIDA MANZANA RD	SFR	1.0	954.4988	550.00
049-193-049	2130 AVENIDA MANZANA	XMT	0.0	0.0000	0.00
049-193-051	6190 VIA HUERTO CT	SFR	1.0	954.4988	550.00
74 Accounts			70.0	\$66,814.9160	\$38,500.00

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 2025/2026

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, 2025 and ending June 30, 2026; 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 2025/2026" (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 2025/2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION D

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025/2026 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 2025/2026, said fiscal year commencing July 1, 2025 and ending June 30, 2026; 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, 2025 and ending June 30, 2026, 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, 2025, and ending June 30, 2026.

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, 2025, and ending June 30, 2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

CITY OF ATASCADERO

Fiscal Year 2025/26 Engineer's Report For:

Landscaping and Lighting District

District No. 01 (Apple Valley)

May 2025

Prepared by:



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

6500 Palma Avenue
Atascadero, CA 93422
Phone – (805) 461-5000
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CITY COUNCIL

Charles Bourbeau, Mayor

Mark Dariz, Mayor Pro Tem

Susan Funk, Council Member

Seth Peek, Council Member

Heather Newsom, Council Member

AGENCY STAFF

Jim Lewis, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Tim Seufert, Client Services Director

Adina McCargo, Project Manager

Danielle Robison, 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 13, 2025, 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 2025/26:

FY 2025/26 Budget Summary

Description	Total Costs	Costs Not Assessed	Proposed Assessment	Total Benefit Units	Maximum Rate	Proposed Rate Per BU
Annual Maintenance	\$66,100	(\$10,100)	\$56,000			
Special Annual Projects	19,560	0	19,560			
Administration	7,780	0	7,780			
Capital Reserve Collections/(Uses)	5,491	(650)	4,841			
Levy Adjustments	(25,181)	0	(25,181)			
Total	\$73,750	(\$10,750)	\$63,000	70	\$2,085.87	\$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 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. 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 2025/26, 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 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 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 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 rights-of-way 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 rights-of-way 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 rights-of-way. Specifically the landscape improvement areas for this District are identified as:

- Approximately 30,580 square feet of streetscape (parkway) landscaping within the public rights-of-way 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	2025/26 Assessment
DIRECT COSTS			
Annual Costs			
Landscape Services	\$45,000	(\$6,550)	\$38,450
Landscape Supplies	1,100	0	1,100
Landscape Utilities	14,200	(3,550)	10,650
City Landscape Services	3,800	0	3,800
Infrastructure Improvements	2,000	0	2,000
Total Annual Direct Costs	66,100	(\$10,100)	\$56,000
CAPITAL EXPENDITURES			
Special Projects	\$19,560	\$0	\$19,560
Total Annual Special Projects	\$19,560	\$0	\$19,560
ADMINISTRATION EXPENSES			
Annual Administration Expenses			
City Annual Administration	\$2,230	\$0	\$2,230
Engineer's Report & Services	5,200	0	5,200
Public Noticing	350	0	350
Total Administration	\$7,780	\$0	\$7,780
TOTAL DIRECT & ADMINISTRATION COSTS	\$93,440	(\$10,100)	\$83,340
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	(\$3,079)	\$0	(\$3,079)
Interest Income - Operating Reserve Fund	(1,401)	0	(1,401)
Contributions from other Sources	(10,750)	0	(10,750)
Reserve Collection/(Use)	(9,951)	0	(\$9,951)
Total Levy Adjustments	(\$25,181)	0	(\$25,181)
BALANCE TO LEVY	\$73,750	(\$10,750)	\$63,000
DISTRICT STATISTICS			
Total Parcels			74
Parcels Levied			70
Total EBU ⁽¹⁾			70
Levy per EBU			\$900.00
Maximum Levy per EBU			\$2,085.87
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance			\$44,186
Operational Reserve Interest			1,401
Surplus Transfer from Improvement Fund			33,184
Operational Reserve Collection (Use)			(25,181)
Estimated Ending Operating Reserve Balance			\$53,590
Beginning Improvement Fund Balance			\$142,424
Improvement Fund Interest			3,079
Surplus Transfer to Operations Fund			(33,184)
Improvement Fund Collection/(Use)			5,491
Estimated Ending Improvement Fund Balance			\$117,810

⁽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, rights-of-way 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 3.000% for Fiscal Year 2025/26.

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.

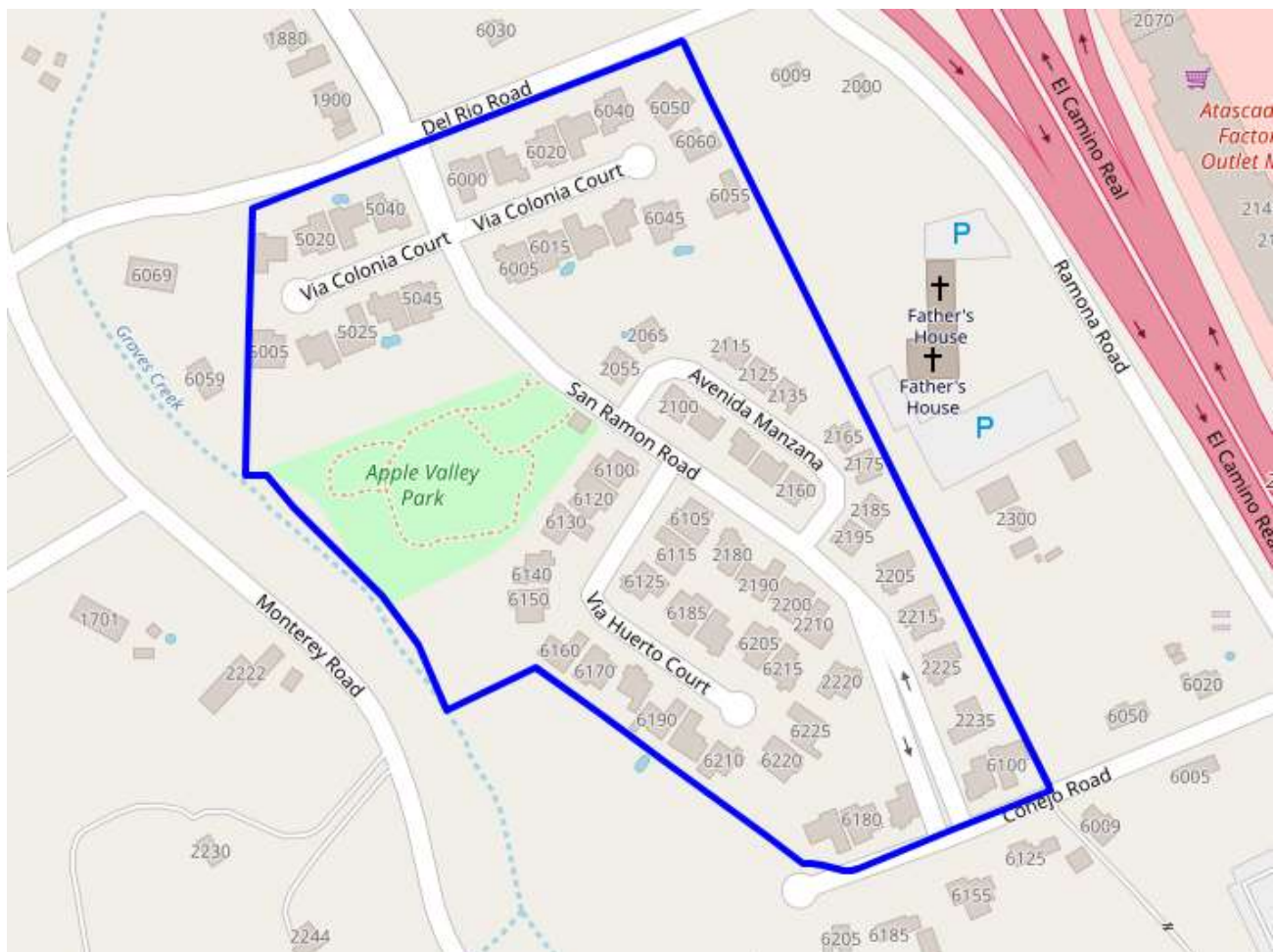
Any proposed annual assessment (rate per EBU) less than or equal to the calculated (adjusted) Maximum Assessment Rate is not considered an increased assessment, even if the proposed assessment is significantly greater than the assessment applied in the prior fiscal year. Likewise, modifications to the 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.



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, rights-of-way, 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 assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the assessment amounts applied to each of the new assessor's 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 amount.

City of Atascadero
Landscaping & Lighting Maint Dist No. 1
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-191-039	1975 SAN RAMON RD	XMT	0.0	\$0.0000	\$0.00
049-191-040	1980 SAN RAMON RD	XMT	0.0	0.0000	0.00
049-191-041	DEL RIO	XMT	0.0	0.0000	0.00
049-192-001	6000 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-002	6010 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-003	6020 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-004	6030 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-005	6040 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-006	6050 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-007	6060 VIA COLONIA RD	SFR	1.0	2,085.8760	900.00
049-192-008	6055 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-009	6045 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-010	6035 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-011	6025 VIA COLONIA RD	SFR	1.0	2,085.8760	900.00
049-192-012	6015 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-013	6005 VIA COLONIA RD	SFR	1.0	2,085.8760	900.00
049-192-014	5045 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-015	5035 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-016	5025 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-017	5015 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-018	5005 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-019	5010 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-020	5020 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-021	5030 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-192-022	5040 VIA COLONIA CT	SFR	1.0	2,085.8760	900.00
049-193-001	6100 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-002	6120 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-003	6130 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-004	6140 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-005	6150 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-006	6160 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-007	6170 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-008	6180 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-010	6200 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-011	6210 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-012	6220 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-013	6225 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-014	6215 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-015	6205 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-016	6195 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-017	6185 VIA HUERTO RD	SFR	1.0	2,085.8760	900.00
049-193-018	6125 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00

Slight variances may occur due to rounding

City of Atascadero
Landscaping & Lighting Maint Dist No. 1
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-193-019	6115 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-020	6105 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
049-193-021	2180 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-022	2190 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-023	2200 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-024	2210 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-025	2220 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-026	6190 CONEJO RD	SFR	1.0	2,085.8760	900.00
049-193-027	6180 CONEJO RD	SFR	1.0	2,085.8760	900.00
049-193-028	6160 CONEJO RD	SFR	1.0	2,085.8760	900.00
049-193-029	6140 CONEJO RD	SFR	1.0	2,085.8760	900.00
049-193-030	6100 CONEJO RD	SFR	1.0	2,085.8760	900.00
049-193-031	2235 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-032	2225 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-033	2215 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-034	2205 SAN RAMON RD	SFR	1.0	2,085.8760	900.00
049-193-035	2195 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-036	2185 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-037	2175 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-038	2165 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-039	2135 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-040	2125 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-041	2115 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-042	2065 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-043	2055 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-044	2100 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-045	2110 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-046	2140 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-047	2150 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-048	2160 AVENIDA MANZANA RD	SFR	1.0	2,085.8760	900.00
049-193-049	2130 AVENIDA MANZANA	XMT	0.0	0.0000	0.00
049-193-051	6190 VIA HUERTO CT	SFR	1.0	2,085.8760	900.00
74 Accounts			70.0	\$146,011.3200	\$63,000.00

Slight variances may occur due to rounding



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item H5

Department: Administrative Services
Date: 6/10/25
Placement: Public Hearing

TO: JAMES R. LEWIS, CITY MANAGER

FROM: JERI RANGEL, DIRECTOR OF ADMINISTRATIVE SERVICES

PREPARED BY: CINDY CHAVEZ, DEPUTY DIRECTOR OF ADMINISTRATIVE SERVICES

SUBJECT: 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 2025/2026.
2. Adopt Draft Resolution B, ordering the levy and collection of assessments for fiscal year 2025/2026 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 2025/2026.
4. Adopt Draft Resolution D, ordering the levy and collection of assessments for fiscal year 2025/2026 for Landscaping and Lighting District No. 03 (De Anza Estates).

REPORT IN BRIEF:

Adoption of the annual Draft Resolutions A-D declaring the City's intention to levy and collect assessments for fiscal year 2025/2026 for the De Anza Estates Street and Storm Drain Maintenance and the Landscaping and Lighting Maintenance Districts.

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 2025/2026 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.

An Assessment Information Notice was mailed to all property owners in late April. 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, and the proposed and current levies for both districts.

Staff has reviewed the short and long-term costs to maintain the districts and recommends an increase of \$25 for the Landscaping and Lighting District and no increase for the Street and Storm Drain Maintenance District. The total cost of both districts is proposed to be \$617.48 for Zone A and \$956.50 for Zone B. The Landscaping and Lighting District levy is about 16% of the allowable maximum annual assessment and the Street and Storm Drain District is about 58% of the allowable maximum annual assessment.

District	Amount Per EBU Assessment Fiscal Year 2024-25	Amount Per EBU Proposed Assessment Fiscal Year 2025-26
Atascadero Street and Storm Drain Maintenance District No. 03 De Anza Estates - Senior Housing (Zone A)	\$ 342.48	\$ 342.48
Atascadero Street and Storm Drain Maintenance District No. 03 De Anza Estates - Single Family Residential (Zone B)	\$ 681.50	\$ 681.50
Atascadero Landscaping and Lighting Maintenance District No. 03 De Anza Estates	\$ 250.00	\$ 275.00

While the levy for fiscal year 2025/2026 for the Landscape and Lighting District is proposed with a slight increase, staff projects that the districts will likely see future increased costs due to aging infrastructure and increases in utilities, materials, and labor costs. City staff will continue to maximize efficiencies and minimize these increases as much as possible.

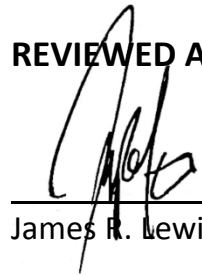
FISCAL IMPACT:

Annual assessments for 2025/2026 will total \$30,562 for road/drainage system maintenance and \$17,463 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 2025/2026 for half of the maintenance costs of the trails and open space.

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

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 2025/2026

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 2025/2026, said fiscal year starting July 1, 2025 and ending June 30, 2026; 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 2025/2026" (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 2025/2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION B

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025/2026 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, 2025 and ending June 30, 2026; 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, 2025 and ending June 30, 2026, 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, 2025, and ending June 30, 2026.

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, 2025, and ending June 30, 2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

CITY OF ATASCADERO

Fiscal Year 2025/26 Engineer's Report For:

**Street and Storm Drain Maintenance
District No. 03 (De Anza Estates)**

May 2025

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

Charles Bourbeau, Mayor

Mark Dariz, Mayor Pro Tem

Susan Funk, Council Member

Seth Peek, Council Member

Heather Newsom, Council Member

AGENCY STAFF

Jim Lewis, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Tim Seufert, Client Services Director

Adina McCargo, Project Manager

Danielle Robison, 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 XIII D (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 13, 2025, 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 2025/26:

FY 2025/26 Summary of Assessment

Description	Zone A - Amount	Zone B - Amount	Total Amount
Estimated Annual Costs	11,635	\$19,615	\$31,250
Capital Reserve Collection/(Uses)	\$12,325	\$18,486	\$30,811
Levy Adjustments	(11,117)	(\$20,382)	(\$31,499)
Balance to Levy ⁽¹⁾	\$12,843	\$17,719	\$30,562
Fiscal Year 2025/26 Maximum Rate ⁽²⁾	\$947.74	\$1,171.72	
Fiscal Year 2025/26 Proposed Applied Rate ⁽²⁾	\$342.48	\$681.50	

(1) Total Levy Amount is rounded up to the nearest dollar.

(2) 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 2025/26.

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 rights-of-way 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 rights-of-way 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 rights-of-way 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)	2025/26 Assessment
DIRECT COSTS			
Streets, Roads & Storm Drain Improvements			
Drainage Maintenance Services	\$0	\$3,610	\$3,610
Street Sweeping Services	660	990	1,650
Inspection & Operational Services - Roads, Drainage	1,088	1,632	2,720
Traffic Sign Replacement	0	0	0
Street & Bridge Maintenance	6,992	10,488	17,480
Total Annual Direct Costs	\$8,740	\$16,720	\$25,460
ADMINISTRATION EXPENSES			
City Annual Administration	\$810	\$810	\$1,620
Engineer's Report & Services	2,025	2,025	4,050
Public Noticing	60	60	120
Total Administration Costs	\$2,895	\$2,895	\$5,790
TOTAL DIRECT & ADMINISTRATION COSTS	\$11,635	\$19,615	\$31,250
CAPITAL RESERVE COLLECTIONS/(USES)			
Collection for Street Surface Activities	\$6,445	\$9,666	\$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	123	184	307
Collection for Bridges	5,562	8,344	13,906
Collection for Storm Drain Infrastructure	45	66	111
Total Capital Reserve Collections/(Uses)	\$12,325	\$18,486	\$30,811
LEVY ADJUSTMENTS			
Interest Income - Improvement Fund	(\$6,232)	(\$8,607)	(\$14,839)
Interest Income - Operating Reserve Fund	(143)	(197)	(341)
Reserve Fund Collection (Use)	(4,741)	(11,578)	(16,319)
Total Levy Adjustments	(\$11,117)	(\$20,382)	(\$31,499)
BALANCE TO LEVY	\$12,843	\$17,719	\$30,562
DISTRICT STATISTICS			
Total Parcels	61	28	89
Parcels Levied	60	26	86
Total EBU ⁽¹⁾	37.50	26	63.50
Proposed Levy per EBU	\$342.48	\$681.50	
Maximum Levy per EBU	\$947.74	\$1,171.72	
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance	\$5,700	\$7,872	\$13,572
Operational Reserve Interest	143	197	341
Surplus Transfer from Improvement Fund	13,188	18,212	31,399
Operational Reserve Collection (Use)	(11,117)	(20,382)	(31,499)
Ending Operating Reserve Balance	\$7,914	\$5,899	\$13,813
Beginning Improvement Fund Balance	\$246,340	\$340,185	\$586,525
Improvement Fund Interest	6,232	8,607	14,839
Surplus Transfer to Operations Fund	(13,188)	(18,212)	(31,399)
Improvement Fund Collection/(Use)	12,325	18,486	30,811
Estimated Ending Improvement Fund Balance	\$251,710	\$349,066	\$600,776

⁽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 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 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 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 3.000% for Fiscal Year 2025/26.

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.



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 assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the assessment amounts applied to each of the new assessor's 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 amount.

City of Atascadero
Street & Storm Drain Maintenance No. 3
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-043-003	500 N FERROCARRIL RD	Open Space	0.0	\$0.0000	\$0.00
049-043-004	805 N FERROCARRIL RD	Roads and Easements	0.0	0.0000	0.00
049-044-002	755 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-003	765 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-004	805 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-005	905 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-006	955 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-007	1025 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-008	1055 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-009	1155 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-010	1255 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-011	1305 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-012	1355 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-013	1200 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-014	1100 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-015	1000 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-016	950 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-017	860 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-018	850 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-019	870 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-020	880 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-044-021	705 DE ANZA CT	Single Family Residential	1.0	1,171.7232	681.50
049-044-022	725 DE ANZA CT	Single Family Residential	1.0	1,171.7232	681.50
049-044-023	750 DE ANZA CT	Single Family Residential	1.0	1,171.7232	681.50
049-044-024	740 DE ANZA CT	Single Family Residential	1.0	1,171.7232	681.50
049-044-025	720 DE ANZA CT	Single Family Residential	1.0	1,171.7232	681.50
049-044-026	700 DE ANZA CT	Single Family Residential	1.0	1,171.7232	681.50
049-044-033	655 N FERROCARRIL RD	Single Family Residential	1.0	1,171.7232	681.50
049-046-001	550 N FERROCARRIL RD	Common Area	0.0	0.0000	0.00

Slight variances may occur due to rounding

City of Atascadero
Street & Storm Drain Maintenance No. 3
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-046-002	503 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-003	505 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-004	507 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-005	509 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-006	511 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-007	513 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-008	515 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-009	517 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-010	519 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-011	521 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-012	524 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-013	526 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-014	528 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-015	530 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-016	532 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-017	534 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-018	536 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-019	538 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-020	540 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-021	542 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-022	572 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-023	574 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-024	576 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-025	578 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-026	580 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-027	582 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-028	584 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-029	586 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-030	588 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-031	590 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-032	592 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-033	551 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-034	553 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-035	555 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-036	557 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-037	559 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-038	561 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-039	563 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-040	565 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-041	567 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-042	595 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-043	597 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04

Slight variances may occur due to rounding

City of Atascadero
Street & Storm Drain Maintenance No. 3
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-046-044	599 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-045	603 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-046	605 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-047	601 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-048	609 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-049	607 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-050	610 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-051	612 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-052	614 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-053	616 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-054	618 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-055	620 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-056	622 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-057	624 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-058	626 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-059	628 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-060	630 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
049-046-061	501 N FERROCARRIL RD	Senior Housing Units	0.6	732.3270	214.04
89 Accounts			63.5	\$74,404.4232	\$30,561.40

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 2025/2026

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, 2025 and ending June 30, 2026; 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 2025/2026" (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 2025/2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION D

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND
COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025/2026 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 2025/2026, said fiscal year commencing July 1, 2025 and ending June 30, 2026; 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, 2025 and ending June 30, 2026, 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, 2025, and ending June 30, 2026.

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 streetlights, 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, 2025, and ending June 30, 2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

CITY OF ATASCADERO

Fiscal Year 2025/26 Engineer's Report For:

Landscaping and Lighting District

No. 03 (De Anza Estates)

May 2025

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

Charles Bourbeau, Mayor

Mark Dariz, Mayor Pro Tem

Susan Funk, Council Member

Seth Peek, Council Member

Heather Newsom, Council Member

AGENCY STAFF

Jim Lewis, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Tim Seufert, Client Services Director

Adina McCargo, Project Manager

Danielle Robison, 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 13, 2025, 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 2025/26:

FY 2025/26 Budget Summary

Description	Total Costs	Costs Not Assessed	Proposed Assessment	Total Benefit Units	Maximum Rate	Proposed Rate Per BU
Annual Maintenance	\$11,960	(\$900)	\$11,060			
Special Projects	14,500	0	14,500			
Administration	7,820	0	7,820			
Capital Reserve	6,614	(500)	6,114			
Collections/(Use)	(22,032)	0	(22,032)			
Levy Adjustments						
Total	\$18,862.00	(\$1,400)	\$17,462.00	63.50	\$1,680.11	\$275.00

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. 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 2025/26, 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 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 XIID 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 rights-of-way 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 rights-of-way 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 provided 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 rights-of-way. Specifically the landscape improvement areas for this District are identified as:

- Approximately 43,560 square feet of streetscape (parkway embankment) landscaping within the public rights-of-way 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 streetlight facilities.

4. ESTIMATE OF COSTS

BUDGET	Total Budget	Costs Not Assessed	2025/26 Assessment
DIRECT COSTS			
Annual Costs			
Landscape Services	\$6,500	(\$900)	\$5,600
Landscape Supplies	600	0	600
Landscape Utilities	1,800	0	1,800
City Landscape Services	2,560	0	2,560
Other Maintenance Services	500	0	500
Total Annual Direct Costs	\$11,960	(\$900)	\$11,060
CAPITAL EXPENDITURES			
Special Projects	\$14,500	\$0	\$14,500
Total Annual Special Projects	\$14,500	\$0	\$14,500
ADMINISTRATION EXPENSES			
Annual Administration Expenses			
City Annual Administration	\$2,270	\$0	\$2,270
Engineer's Report & Services	5,200	0	5,200
Public Noticing	350	0	350
Total Administration	\$7,820	\$0	\$7,820
TOTAL DIRECT & ADMINISTRATION COSTS	\$34,280	(\$900)	\$33,380
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	707	0	707
Tree Rehabilitation/Replacement	1,207	0	1,207
Park Rehabilitation/Replacement	762	0	762
Total Annual Capital Reserve Collections/(Uses)	\$6,614	(\$500)	\$6,114
LEVY ADJUSTMENTS			
Interest Income - Improvement Fund	(\$2,336)	\$0	(\$2,336)
Interest Income - Operating Reserve Fund	(464)	0	(464)
Contribution from Other Sources	(1,400)	0	(1,400)
Reserve Collection/(Use)	(17,832)	0	(17,832)
Total Levy Adjustments	(\$22,032)	\$0	(\$22,032)
BALANCE TO LEVY	\$18,862	(\$1,400)	\$17,462
DISTRICT STATISTICS			
Total Parcels			89
Parcels Levied			86
Total EBU ⁽¹⁾			63.50
Levy per EBU			\$275.00
Maximum Levy per EBU			\$1,680.11
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance			\$16,191
Operational Reserve Interest			464
Surplus Transfer from Improvement Fund			21,428
Operational Reserve Collection/(Use)			(22,032)
Estimated Ending Operating Reserve Balance			\$16,051
Beginning Improvement Fund Balance			\$93,358
Improvement Fund Interest			2,336
Surplus Transfer to Operations Fund			(21,428)
Improvement Fund Collection/(Use)			6,614
Estimated Ending Improvement Fund Balance			\$80,880

⁽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, rights-of-way 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 3.000% for Fiscal Year 2025/26.

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.



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, rights-of-way, 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 assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the assessment amounts applied to each of the new assessor's 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 amount.

City of Atascadero
Landscaping & Lighting Maint Dist No. 3
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-043-003	500 N FERROCARRIL RD	Open Space	0.0	\$0.0000	\$0.00
049-043-004	805 N FERROCARRIL RD	Roads and Easements	0.0	0.0000	0.00
049-044-002	755 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-003	765 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-004	805 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-005	905 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-006	955 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-007	1025 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-008	1055 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-009	1155 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-010	1255 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-011	1305 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-012	1355 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-013	1200 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-014	1100 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-015	1000 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-016	950 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-017	860 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-018	850 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-019	870 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-020	880 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-044-021	705 DE ANZA CT	Single Family Residential	1.0	1,680.1143	275.00
049-044-022	725 DE ANZA CT	Single Family Residential	1.0	1,680.1143	275.00
049-044-023	750 DE ANZA CT	Single Family Residential	1.0	1,680.1143	275.00
049-044-024	740 DE ANZA CT	Single Family Residential	1.0	1,680.1143	275.00
049-044-025	720 DE ANZA CT	Single Family Residential	1.0	1,680.1143	275.00
049-044-026	700 DE ANZA CT	Single Family Residential	1.0	1,680.1143	275.00
049-044-033	655 N FERROCARRIL RD	Single Family Residential	1.0	1,680.1143	275.00
049-046-001	550 N FERROCARRIL RD	Common Area	0.0	0.0000	0.00

Slight variances may occur due to rounding

City of Atascadero
Landscaping & Lighting Maint Dist No. 3
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-046-002	503 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-003	505 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-004	507 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-005	509 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-006	511 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-007	513 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-008	515 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-009	517 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-010	519 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-011	521 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-012	524 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-013	526 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-014	528 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-015	530 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-016	532 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-017	534 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-018	536 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-019	538 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-020	540 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-021	542 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-022	572 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-023	574 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-024	576 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-025	578 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-026	580 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-027	582 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-028	584 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-029	586 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-030	588 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-031	590 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-032	592 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-033	551 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-034	553 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-035	555 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-036	557 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-037	559 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-038	561 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-039	563 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-040	565 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-041	567 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-042	595 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-043	597 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86

Slight variances may occur due to rounding

City of Atascadero
Landscaping & Lighting Maint Dist No. 3
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
049-046-044	599 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-045	603 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-046	605 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-047	601 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-048	609 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-049	607 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-050	610 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-051	612 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-052	614 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-053	616 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-054	618 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-055	620 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-056	622 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-057	624 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-058	626 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-059	628 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-060	630 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
049-046-061	501 N FERROCARRIL RD	Senior Housing Units	0.6	1,050.0714	171.86
89 Accounts			63.5	\$106,687.2558	\$17,461.60



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item H6

Department: Administrative Services
Date: 6/10/25
Placement: Public Hearing

TO: JAMES R. LEWIS, CITY MANAGER

FROM: JERI RANGEL, DIRECTOR OF ADMINISTRATIVE SERVICES

PREPARED BY: CINDY CHAVEZ, DEPUTY DIRECTOR OF ADMINISTRATIVE SERVICES

SUBJECT: Las Lomas (Woodridge) 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 (Las Lomas [Woodridge]), and the levy and collection of annual assessments related thereto for Fiscal Year 2025/2026.
2. Adopt Draft Resolution B, ordering the levy and collection of assessments for Fiscal Year 2025/2026 for Street and Storm Drain Maintenance District No. 02 (Las Lomas [Woodridge]).
3. Adopt Draft Resolution C, approving the final Engineer's Report regarding the Landscaping and Lighting District No. 02 (Las Lomas [Woodridge]), and the levy and collection of annual assessments related thereto in Fiscal Year 2025/2026.
4. Adopt Draft Resolution D, ordering the levy and collection of assessments for Fiscal Year 2025/2026 for Landscaping and Lighting District No. 02 (Las Lomas [Woodridge]).

REPORT IN BRIEF:

Adoption of the annual Draft Resolutions A-D declaring the City's intention to levy and collect assessments for fiscal year 2025/2026 for the Las Lomas Street and Storm Drain Maintenance and the Landscaping and Lighting Maintenance Districts.

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 2025/2026 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.

An Assessment Information Notice was mailed to all property owners in late April. 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, and the proposed and current levies for both districts.

The Landscaping and Lighting District levy is about 14% of the allowable maximum annual assessment and the Street and Storm Drain District is about 47% of the allowable maximum annual assessment.

The Landscape and Lighting District is experiencing increased costs due to the aging landscape and increases in costs of labor and utilities. City staff works to maximize efficiencies and minimize levy increases. City staff expect modest levy increases in future years in order to continue providing the existing service levels.

At the direction of the homeowners in attendance at meetings held December 14, 2017, and April 11, 2018, the City staff set the levy for the Street and Storm Drain (SSD) Benefit Assessment District at an amount that will cover short-term maintenance but will not be sufficient for long-term maintenance and repair.

This Assessment District levy amount is sufficient only for the annual operating costs and a periodic surface treatment (slurry seal) of the roads. As discussed at the aforementioned

meetings and the Public Hearings, Neighborhood meetings, and Annual Notices since, these funds will only be enough to cover road maintenance costs through fiscal year 2032/33. Beyond that time, the roads will require more in-depth road rehabilitation projects that will require significant funding. The estimated cost of that work is just under \$1,000,000 using current dollars, and is the financial obligation of the residents of the Benefit Assessment District. 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.

To further ensure that property owners and prospective buyers are advised of these future road expenses, staff recorded the attached “Notice of Assessment” (Attachment 7) on each of the parcels in the District. This Notice will be an additional way to make sure that all interested parties are aware of the financial obligation for future road maintenance costs in addition to the assessment that is being considered with this staff report.

District	Amount Per EBU Assessment Fiscal Year 2024-25	Amount Per EBU Proposed Assessment Fiscal Year 2025-26
Atascadero Street and Storm Drain Maintenance District No. 02 Las Lomas	\$ 438.00	\$ 450.00
Atascadero Landscaping and Lighting Maintenance District No. 02 Las Lomas	\$ 328.00	\$ 337.00


FISCAL IMPACT:

Annual assessments for 2025/2026 will total \$104,287 for road/drainage system maintenance and \$78,100 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 \$1,830 for the fiscal year 2025/2026 for 25% of the maintenance costs of the trails and open space.

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

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)
7. Notice of Assessment

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 (LAS LOMAS [WOODRIDGE]), AND THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS RELATED THERE TO FOR FISCAL YEAR 2025/2026

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 2025/2026, said fiscal year starting July 1, 2025 and ending June 30, 2026; 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 2025/2026" (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 2025/2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION B

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025/2026 FOR STREET AND STORM DRAIN MAINTENANCE DISTRICT NO. 02 (LAS LOMAS [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, 2025 and ending June 30, 2026; 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, 2025 and ending June 30, 2026, 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, 2025, and ending June 30, 2026.

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, 2025, and ending June 30, 2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

CITY OF ATASCADERO

Fiscal Year 2025/26 Engineer's Report For:

**Street and Storm Drain Maintenance
District No. 02 Las Lomas (Woodridge)**

May 2025

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

Charles Bourbeau, Mayor

Mark Dariz, Mayor Pro Tem

Susan Funk, Council Member

Seth Peek, Council Member

Heather Newsom, Council Member

AGENCY STAFF

Jim Lewis, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Tim Seufert, Client Services Director

Adina McCargo, Project Manager

Danielle Robison, 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 13, 2025 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 2025/26:

FY 2025/26 Summary of Assessment

Description	Amount
Estimated Annual Costs	\$30,690
Capital Reserve Collection/(Uses)	114,270
Levy Adjustments	(40,674)
Balance to Levy	\$104,287
Fiscal Year 2025/26 Maximum Rate	\$954.92
Fiscal Year 2025/26 Proposed Applied Rate	\$450.00

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 2025/26.

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 rights-of-way 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 overly of street surfaces and driveway approaches (typically one or the other once every five years);
- Periodic re-stripping 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 rights-of-way 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 rights-of-way 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	2025/26 Assessment
DIRECT COSTS	
Streets, Roads & Storm Drain Improvements	
Street Maintenance	\$8,600
Drainage Maintenance Services	3,830
Inspection & Operational Services - Roads, Drainage	0
Total Annual Direct Costs	\$12,430
SPECIAL PROJECT	\$10,000
ADMINISTRATION EXPENSES	
City Annual Administration	\$1,960
City Operational Services	2,100
Engineer's Report & Services	4,050
Public Noticing	150
Total Annual Administration Costs	\$8,260
TOTAL DIRECT & ADMINISTRATION COSTS	\$30,690
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	(\$22,940)
Interest Income - Operating Reserve Fund	(320)
Reserve Fund Collection (Use)	(17,414)
Total Levy Adjustments	(\$40,674)
BALANCE TO LEVY	\$104,287
DISTRICT STATISTICS	
Total Parcels	191
Parcels Levied	181
Total EBU ⁽¹⁾	231.75
Levy per EBU	\$450.00
Maximum Levy per EBU	\$954.92
FUND BALANCE INFORMATION	
Beginning Operating Reserve Balance	\$13,332
Operational Reserve Interest	320
Surplus Transfer from Improvement Fund	40,469
Operational Reserve Collection (Use)	(40,674)
Ending Operating Reserve Balance	\$13,448
Beginning Improvement Fund Balance	\$868,823
Improvement Fund Interest	22,940
Surplus Transfer to Operations Fund	(40,469)
Improvement Fund Collection	114,270
Ending Improvement Fund Balance	\$965,564

⁽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 3.000% for Fiscal Year 2025/26.

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.

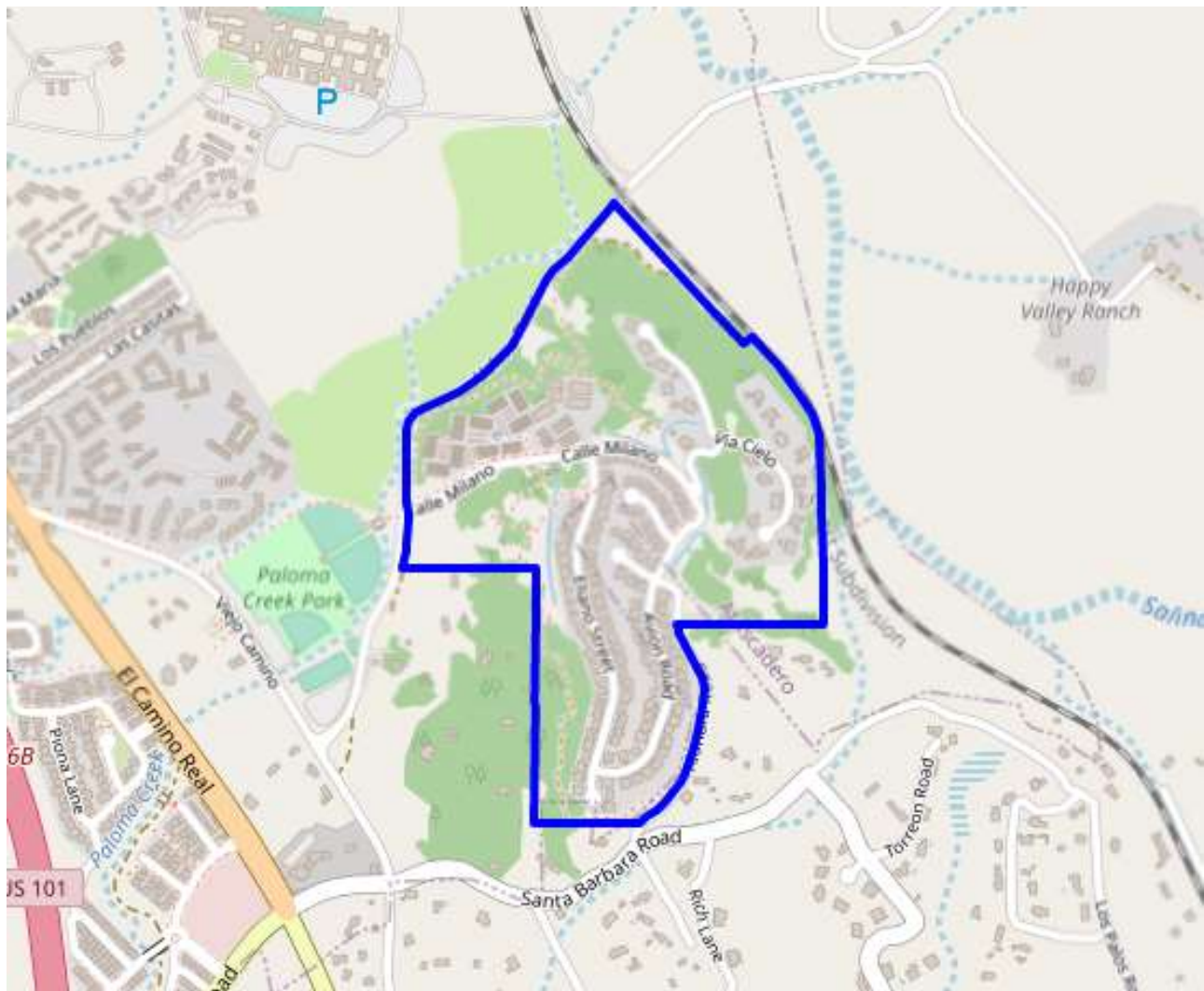
To impose a new or increased assessment other than the annual inflationary adjustment provided by the preceding Assessment Range Formula, the City must comply with the provisions of the California Constitution Article XIID Section 4c, that requires a public hearing and certain protest procedures including

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.



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, rights-of-way, 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 assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the assessment amounts applied to each of the new assessor's 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 amount.

City of Atascadero
Street & Storm Drain Maintenance No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-311-006	9000 CALLE MILANO RD	XMT	0.0	\$0.0000	\$0.00
045-311-007	11410 ELIANO ST	XMT	0.0	0.0000	0.00
045-311-008	9545 AVION RD	XMT	0.0	0.0000	0.00
045-311-009	9425 CALLE MILANO	XMT	0.0	0.0000	0.00
045-311-010	11505 HALCON RD	COM	0.0	0.0000	0.00
045-311-013	11110 ELIANO ST	XMT	0.0	0.0000	0.00
045-311-014	9341 DECHADO WAY	MFR	17.8	16,968.9408	7,996.50
045-311-015	9261 LOS OLIVOS CIR	MFR	24.8	23,710.6809	11,173.50
045-311-016	9110 CIRUELA WAY	MFR	19.9	19,002.9219	8,955.00
045-312-001	9510 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-312-002	9520 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-312-003	11400 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-004	11390 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-005	11380 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-006	11370 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-007	11360 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-008	11350 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-009	11340 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-010	11320 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-011	11310 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-012	11305 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-013	11325 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-014	11335 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-015	11355 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-016	11365 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-017	11385 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-018	11395 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-019	11405 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-020	11415 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-021	11425 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-022	11435 ELIANO ST	SFR	1.0	954.9207	450.00
045-312-023	9400 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-024	9410 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-025	9420 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-026	9430 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-027	9440 CALLE MILANO ST	SFR	1.0	954.9207	450.00
045-312-028	9450 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-029	9460 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-030	9470 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-031	9480 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-032	9490 CALLE MILANO	SFR	1.0	954.9207	450.00
045-312-033	9500 CALLE MILANO	SFR	1.0	954.9207	450.00

Slight variances may occur due to rounding

City of Atascadero
Street & Storm Drain Maintenance No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-312-034	9510 CALLE MILANO RD	SFR	1.0	954.9207	450.00
045-312-035	9520 CALLE MILANO RD	SFR	1.0	954.9207	450.00
045-312-036	9535 AZOR LN	SFR	1.0	954.9207	450.00
045-312-037	9525 AZOR LN	SFR	1.0	954.9207	450.00
045-312-038	9515 AZOR LN	SFR	1.0	954.9207	450.00
045-312-039	9505 AZOR LN	SFR	1.0	954.9207	450.00
045-312-040	9495 AZOR LN	SFR	1.0	954.9207	450.00
045-312-041	9485 AZOR LN	SFR	1.0	954.9207	450.00
045-312-042	9475 AZOR LN	SFR	1.0	954.9207	450.00
045-312-043	9465 AZOR LN	SFR	1.0	954.9207	450.00
045-312-044	9470 AZOR LN	SFR	1.0	954.9207	450.00
045-312-045	9480 AZOR RD	SFR	1.0	954.9207	450.00
045-312-046	9500 AZOR LN	SFR	1.0	954.9207	450.00
045-312-047	9520 AZOR LN	SFR	1.0	954.9207	450.00
045-312-048	9530 AZOR LN	SFR	1.0	954.9207	450.00
045-312-049	9540 AZOR LN	SFR	1.0	954.9207	450.00
045-312-050	9550 AZOR LN	SFR	1.0	954.9207	450.00
045-312-051	9515 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-312-052	9505 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-312-053	9495 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-312-054	9485 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-312-055	9475 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-312-056	9500 ALCOTAN RD	SFR	1.0	954.9207	450.00
045-313-001	11455 MONTE VERDE DR	SFV	1.0	954.9207	450.00
045-313-002	9500 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-003	9550 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-004	9600 VIA CIELO RD	SFR	1.0	954.9207	450.00
045-313-005	9650 VIA CIELO RD	SFR	1.0	954.9207	450.00
045-313-006	9700 VIA CIELO RD	SFR	1.0	954.9207	450.00
045-313-007	9655 VIA CIELO RD	SFR	1.0	954.9207	450.00
045-313-008	9625 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-009	9575 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-010	9565 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-011	9555 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-012	9505 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-013	9515 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-014	9525 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-015	9535 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-018	9350 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-019	9402 VIA CIELO LN	SFR	1.0	954.9207	450.00
045-313-020	9450 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-021	11450 MONTE VERDE	SFR	1.0	954.9207	450.00

Slight variances may occur due to rounding

City of Atascadero
Street & Storm Drain Maintenance No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-313-026	9250 VIA CIELO	SFR	1.0	954.9207	450.00
045-313-027	9300 VIA CIELO	SFR	1.0	954.9207	450.00
045-314-001	11290 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-002	11280 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-003	11270 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-004	11260 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-005	11250 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-006	11240 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-007	11220 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-008	11215 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-009	11225 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-010	11235 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-011	11245 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-012	11255 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-013	11265 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-014	11275 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-015	11285 ELIANO ST	SFR	1.0	954.9207	450.00
045-314-016	11290 AVION RD	SFR	1.0	954.9207	450.00
045-314-017	11280 AVION RD	SFR	1.0	954.9207	450.00
045-314-018	11270 AVION RD	SFR	1.0	954.9207	450.00
045-314-019	11260 AVION RD	SFR	1.0	954.9207	450.00
045-314-020	11250 AVION RD	SFR	1.0	954.9207	450.00
045-314-021	11240 AVION RD	SFR	1.0	954.9207	450.00
045-314-022	11230 AVION RD	SFR	1.0	954.9207	450.00
045-314-023	11210 AVION RD	SFR	1.0	954.9207	450.00
045-314-024	11200 AVION RD	SFR	1.0	954.9207	450.00
045-314-025	11205 AVION RD	SFR	1.0	954.9207	450.00
045-314-026	11215 AVION RD	SFR	1.0	954.9207	450.00
045-314-027	11225 AVION RD	SFR	1.0	954.9207	450.00
045-314-028	11235 AVION RD	SFR	1.0	954.9207	450.00
045-314-029	11245 AVION RD	SFR	1.0	954.9207	450.00
045-314-030	11255 AVION RD	SFR	1.0	954.9207	450.00
045-314-031	11275 AVION RD	SFR	1.0	954.9207	450.00
045-314-032	11285 AVION RD	SFR	1.0	954.9207	450.00
045-314-033	11295 AVION RD	SFR	1.0	954.9207	450.00
045-315-001	11210 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-002	11190 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-003	11180 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-004	11170 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-005	11160 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-006	11150 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-007	11140 ELIANO ST	SFR	1.0	954.9207	450.00

Slight variances may occur due to rounding

City of Atascadero
Street & Storm Drain Maintenance No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-315-008	11130 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-009	11120 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-010	11105 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-011	11115 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-012	11125 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-013	11100 AVION RD	SFR	1.0	954.9207	450.00
045-315-014	11165 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-015	11185 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-016	11195 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-017	11205 ELIANO ST	SFR	1.0	954.9207	450.00
045-315-018	11180 AVION RD	SFR	1.0	954.9207	450.00
045-315-019	11170 AVION RD	SFR	1.0	954.9207	450.00
045-315-020	11160 AVION RD	SFR	1.0	954.9207	450.00
045-315-021	11150 AVION RD	SFR	1.0	954.9207	450.00
045-315-022	11130 AVION RD	SFR	1.0	954.9207	450.00
045-315-023	11110 AVION RD	SFR	1.0	954.9207	450.00
045-315-024	11105 AVION RD	SFR	1.0	954.9207	450.00
045-315-025	11115 AVION RD	SFR	1.0	954.9207	450.00
045-315-026	11125 AVION RD	SFR	1.0	954.9207	450.00
045-315-027	11135 AVION RD	SFR	1.0	954.9207	450.00
045-315-028	11145 AVION RD	SFR	1.0	954.9207	450.00
045-315-029	11155 AVION RD	SFR	1.0	954.9207	450.00
045-315-030	11165 AVION RD	SFR	1.0	954.9207	450.00
045-315-031	11175 AVION RD	SFR	1.0	954.9207	450.00
045-315-032	11185 AVION RD	SFR	1.0	954.9207	450.00
045-315-033	11195 AVION RD	SFR	1.0	954.9207	450.00
045-316-040		XMT	0.0	0.0000	0.00
045-316-041	9350 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-042	9352 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-043	9354 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-044	9356 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-045	9358 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-046	9360 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-047	9362 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-048	9364 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-049	9366 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-050	9368 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-051	9369 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-052	9367 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-053	9374 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-054	9363 RIBERENA CIR	CON	0.8	716.1905	337.50
045-316-055	9361 RIBERENA CIR	CON	0.8	716.1905	337.50

Slight variances may occur due to rounding

City of Atascadero
Street & Storm Drain Maintenance No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-316-056	9355 RANADA CIR	CON	0.8	716.1905	337.50
045-316-057	9357 RANADA CIR	CON	0.8	716.1905	337.50
045-316-058	9359 RANADA CIR	CON	0.8	716.1905	337.50
045-316-059	9361 RANADA CIR	CON	0.8	716.1905	337.50
045-316-060	9363 RANADA CIR	CON	0.8	716.1905	337.50
045-316-061	9371 CADENCIA CT	CON	0.8	716.1905	337.50
045-316-062	9373 CADENCIA CT	CON	0.8	716.1905	337.50
045-316-063	9375 CADENCIA CT	CON	0.8	716.1905	337.50
045-316-064	9377 CADENCIA CT	CON	0.8	716.1905	337.50
045-316-065	9379 CADENCIA CT	CON	0.8	716.1905	337.50
045-316-066	9381 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-067	9383 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-068	9385 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-069	9387 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-070	9389 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-071	9388 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-072	9386 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-073	9384 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-074	9382 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-075	9380 CIELO AZUL CT	CON	0.8	716.1905	337.50
045-316-076		XMT	0.0	0.0000	0.00
045-316-078		XMT	0.0	0.0000	0.00
045-316-079		XMT	0.0	0.0000	0.00
191 Accounts			231.8	\$221,302.8712	\$104,287.50

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 (LAS LOMAS [WOODRIDGE]), AND THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS RELATED THERETO IN FISCAL YEAR 2025/2026

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, 2025 and ending June 30, 2026; 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 2025/2026” (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 2025/2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

DRAFT RESOLUTION D

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2025/2026 FOR LANDSCAPING AND LIGHTING DISTRICT NO. 02 (LAS LOMAS [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 2025/2026, said fiscal year commencing July 1, 2025 and ending June 30, 2026; 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, 2025 and ending June 30, 2026, 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, 2025, and ending June 30, 2026.

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 streetlights, 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, 2025, and ending June 30, 2026.

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 __th day of June, 2025.

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:

Charles Bourbeau, Mayor

ATTEST:

Lara K. Christensen, City Clerk

CITY OF ATASCADERO

Fiscal Year 2025/26 Engineer's Report For:

Landscaping and Lighting District

District No. 02 Las Lomas (Woodridge)

May 2025

Prepared by:



CITY OF ATASCADERO
Landscaping & Lighting District No. 02
Las Lomas (Woodridge)

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CITY COUNCIL

Charles Bourbeau, Mayor

Mark Dariz, Mayor Pro Tem

Susan Funk, Council Member

Seth Peek, Council Member

Heather Newsom, Council Member

AGENCY STAFF

Jim Lewis, City Manager

Jeri Rangel, Administrative Services Director

Cindy Chavez, Deputy Director of Administrative Services

NBS

Tim Seufert, Client Services Director

Adina McCargo, Project Manager

Danielle Robison, 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 13, 2025 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 2025/26:

FY 2025/26 Budget Summary

Description	Total Costs	Costs Not Assessed	Proposed Assessment	Total Benefit Units	Maximum Rate	Proposed Rate Per BU
Annual Maintenance	\$89,080	(\$1,580)	\$88,300			
Special Project	15,000	0	15,000			
Administration	7,090	0	7,090			
Capital Reserve Collections/(Use)	(433)	(250)	(683)			
Levy Adjustments	(31,607)	0	(31,607)			
Total	\$79,930	(\$1,830)	\$78,100	231.75	\$2,371.32	\$337.00

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 2025/26, 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 rights-of-way 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 rights-of-way 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 provided 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 rights-of-way. Specifically, the landscape improvement areas for this District are identified as:

- Approximately 34,420 square feet of streetscape landscaping and trees within the public rights-of-way 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 rights-of-way 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	2025/26 Assessment
DIRECT COSTS			
Annual Costs			
Landscape Services	\$65,000	(1,580)	\$63,420
Landscape Supplies	2,000	0	2,000
Landscape Utilities	13,080	0	13,080
City Landscape Services	6,700	0	6,700
Other Maintenance Services	3,100	0	3,100
Total Annual Direct Costs	\$89,880	(\$1,580)	\$88,300
CAPITAL EXPENDITURES			
Special Projects	\$15,000	\$0	\$15,000
Total Annual Special Projects	\$15,000	\$0	\$15,000
ADMINISTRATION EXPENSES			
Annual Administration Expenses			
City Annual Administration	\$1,540	\$0	\$1,540
Engineer's Report & Services	5,200	0	5,200
Public Noticing	350	0	350
Total Administration	\$7,090	\$0	\$7,090
TOTAL DIRECT & ADMINISTRATION COSTS	\$111,970	(\$1,580)	\$110,390
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	(9,194)	0	(9,194)
Slope Rehabilitation/Replacement	3,754	0	3,754
Other Rehabilitation/Replacement	741	0	741
Total Annual Capital Reserve Collections/(Uses)	(\$433)	(\$250)	(\$683)
LEVY ADJUSTMENTS			
Interest Income - Improvement Fund	(\$2,884)	\$0	(\$2,884)
Interest Income - Operating Reserve Fund	(1,716)	0	(1,716)
Contribution from Other Sources	(1,830)	0	(1,830)
Reserve Collection/(Use)	(25,177)	0	(25,177)
Total Levy Adjustments	(\$31,607)	\$0	(\$31,607)
BALANCE TO LEVY	\$79,930	(\$1,830)	\$78,100
DISTRICT STATISTICS			
Total Parcels			191
Parcels Levied			181
Total EBU ⁽¹⁾			231.75
Levy per EBU			\$337.00
Maximum Levy per EBU			\$2,371.32
FUND BALANCE INFORMATION			
Beginning Operating Reserve Balance			\$47,691
Operational Reserve Interest			1,716
Surplus Transfer from Improvement Fund			45,656
Operational Reserve Collection (Use)			(31,607)
Estimated Ending Operating Reserve Balance			\$63,456
Beginning Improvement Fund Balance			\$149,966
Improvement Fund Interest			2,884
Surplus Transfer to Operations Fund			(45,656)
Improvement Fund Collection/(Use)			(433)
Estimated Ending Improvement Fund Balance			\$106,761

⁽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, rights-of-way 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 3.000% for Fiscal Year 2025/26.

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.



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, rights-of-way, 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 assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the assessment amounts applied to each of the new assessor's 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 amount.

City of Atascadero
Landscaping & Lighting Maint Dist No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-311-006	9000 CALLE MILANO RD	XMT	0.0	\$0.0000	\$0.00
045-311-007	11410 ELIANO ST	XMT	0.0	0.0000	0.00
045-311-008	9545 AVION RD	XMT	0.0	0.0000	0.00
045-311-009	9425 CALLE MILANO	XMT	0.0	0.0000	0.00
045-311-010	11505 HALCON RD	COM	0.0	0.0000	0.00
045-311-013	11110 ELIANO ST	XMT	0.0	0.0000	0.00
045-311-014	9341 DECHADO WAY	MFR	17.8	42,138.5021	5,988.50
045-311-015	9261 LOS OLIVOS CIR	MFR	24.8	58,880.0792	8,367.72
045-311-016	9110 CIRUELA WAY	MFR	19.9	47,189.4311	6,706.32
045-312-001	9510 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-312-002	9520 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-312-003	11400 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-004	11390 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-005	11380 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-006	11370 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-007	11360 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-008	11350 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-009	11340 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-010	11320 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-011	11310 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-012	11305 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-013	11325 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-014	11335 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-015	11355 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-016	11365 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-017	11385 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-018	11395 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-019	11405 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-020	11415 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-021	11425 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-022	11435 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-312-023	9400 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-024	9410 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-025	9420 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-026	9430 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-027	9440 CALLE MILANO ST	SFR	1.0	2,371.3282	337.00
045-312-028	9450 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-029	9460 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-030	9470 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-031	9480 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-032	9490 CALLE MILANO	SFR	1.0	2,371.3282	337.00
045-312-033	9500 CALLE MILANO	SFR	1.0	2,371.3282	337.00

Slight variances may occur due to rounding

City of Atascadero
Landscaping & Lighting Maint Dist No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-312-034	9510 CALLE MILANO RD	SFR	1.0	2,371.3282	337.00
045-312-035	9520 CALLE MILANO RD	SFR	1.0	2,371.3282	337.00
045-312-036	9535 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-037	9525 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-038	9515 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-039	9505 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-040	9495 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-041	9485 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-042	9475 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-043	9465 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-044	9470 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-045	9480 AZOR RD	SFR	1.0	2,371.3282	337.00
045-312-046	9500 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-047	9520 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-048	9530 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-049	9540 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-050	9550 AZOR LN	SFR	1.0	2,371.3282	337.00
045-312-051	9515 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-312-052	9505 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-312-053	9495 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-312-054	9485 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-312-055	9475 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-312-056	9500 ALCOTAN RD	SFR	1.0	2,371.3282	337.00
045-313-001	11455 MONTE VERDE DR	SFV	1.0	2,371.3282	337.00
045-313-002	9500 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-003	9550 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-004	9600 VIA CIELO RD	SFR	1.0	2,371.3282	337.00
045-313-005	9650 VIA CIELO RD	SFR	1.0	2,371.3282	337.00
045-313-006	9700 VIA CIELO RD	SFR	1.0	2,371.3282	337.00
045-313-007	9655 VIA CIELO RD	SFR	1.0	2,371.3282	337.00
045-313-008	9625 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-009	9575 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-010	9565 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-011	9555 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-012	9505 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-013	9515 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-014	9525 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-015	9535 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-018	9350 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-019	9402 VIA CIELO LN	SFR	1.0	2,371.3282	337.00
045-313-020	9450 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-021	11450 MONTE VERDE	SFR	1.0	2,371.3282	337.00

Slight variances may occur due to rounding

City of Atascadero
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APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-313-026	9250 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-313-027	9300 VIA CIELO	SFR	1.0	2,371.3282	337.00
045-314-001	11290 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-002	11280 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-003	11270 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-004	11260 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-005	11250 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-006	11240 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-007	11220 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-008	11215 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-009	11225 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-010	11235 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-011	11245 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-012	11255 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-013	11265 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-014	11275 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-015	11285 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-314-016	11290 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-017	11280 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-018	11270 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-019	11260 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-020	11250 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-021	11240 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-022	11230 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-023	11210 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-024	11200 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-025	11205 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-026	11215 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-027	11225 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-028	11235 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-029	11245 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-030	11255 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-031	11275 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-032	11285 AVION RD	SFR	1.0	2,371.3282	337.00
045-314-033	11295 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-001	11210 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-002	11190 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-003	11180 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-004	11170 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-005	11160 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-006	11150 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-007	11140 ELIANO ST	SFR	1.0	2,371.3282	337.00

Slight variances may occur due to rounding

City of Atascadero
Landscaping & Lighting Maint Dist No. 2
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APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-315-008	11130 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-009	11120 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-010	11105 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-011	11115 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-012	11125 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-013	11100 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-014	11165 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-015	11185 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-016	11195 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-017	11205 ELIANO ST	SFR	1.0	2,371.3282	337.00
045-315-018	11180 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-019	11170 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-020	11160 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-021	11150 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-022	11130 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-023	11110 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-024	11105 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-025	11115 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-026	11125 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-027	11135 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-028	11145 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-029	11155 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-030	11165 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-031	11175 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-032	11185 AVION RD	SFR	1.0	2,371.3282	337.00
045-315-033	11195 AVION RD	SFR	1.0	2,371.3282	337.00
045-316-040		XMT	0.0	0.0000	0.00
045-316-041	9350 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-042	9352 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-043	9354 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-044	9356 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-045	9358 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-046	9360 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-047	9362 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-048	9364 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-049	9366 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-050	9368 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-051	9369 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-052	9367 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-053	9374 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-054	9363 RIBERENA CIR	CON	0.8	1,778.4961	252.74
045-316-055	9361 RIBERENA CIR	CON	0.8	1,778.4961	252.74

Slight variances may occur due to rounding

City of Atascadero
Landscaping & Lighting Maint Dist No. 2
Final Billing Detail Report for Fiscal Year 2025/26

APN	Address	Land Use	Benefit Units	Max Assessment	Grand Total
045-316-056	9355 RANADA CIR	CON	0.8	1,778.4961	252.74
045-316-057	9357 RANADA CIR	CON	0.8	1,778.4961	252.74
045-316-058	9359 RANADA CIR	CON	0.8	1,778.4961	252.74
045-316-059	9361 RANADA CIR	CON	0.8	1,778.4961	252.74
045-316-060	9363 RANADA CIR	CON	0.8	1,778.4961	252.74
045-316-061	9371 CADENCIA CT	CON	0.8	1,778.4961	252.74
045-316-062	9373 CADENCIA CT	CON	0.8	1,778.4961	252.74
045-316-063	9375 CADENCIA CT	CON	0.8	1,778.4961	252.74
045-316-064	9377 CADENCIA CT	CON	0.8	1,778.4961	252.74
045-316-065	9379 CADENCIA CT	CON	0.8	1,778.4961	252.74
045-316-066	9381 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-067	9383 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-068	9385 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-069	9387 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-070	9389 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-071	9388 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-072	9386 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-073	9384 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-074	9382 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-075	9380 CIELO AZUL CT	CON	0.8	1,778.4961	252.74
045-316-076		XMT	0.0	0.0000	0.00
045-316-078		XMT	0.0	0.0000	0.00
045-316-079		XMT	0.0	0.0000	0.00
191 Accounts			231.8	\$549,555.3085	\$78,099.44

**RECORDING REQUESTED BY AND
AFTER RECORDATION RETURN TO:**

City Clerk
City of Atascadero
6500 Palma Ave
Atascadero, California 93422

NOTICE OF ASSESSMENT

**City of Atascadero
Street and Storm Drain Maintenance District No. 02
(Woodridge/Las Lomas)**

Pursuant to the requirements of the Streets and Highways Code of California, the undersigned City Clerk of the City of Atascadero, County of San Luis Obispo, State of California, hereby gives confirmation that a diagram and assessment were filed in the office of the City Clerk of the City of Atascadero, State of California.

The undersigned City Clerk of the City of Atascadero certifies that the diagram showing the boundaries of the Street and Storm Drain Maintenance District No. 02 (Woodridge/Las Lomas), City of Atascadero, County of San Luis Obispo, State of California, was approved by the City Council of said City at a regular meeting thereof held on the 24th day of May, 2005, by its Resolution No. 2005-048. The boundaries of said Street and Storm Drain Maintenance District (District) are contiguous with the Tract Maps 2525-1 and 2525-2 recorded in the Office of the Recorder of the County of San Luis Obispo, State of California, in Book 25, Pages 83-92 and Book 27, Pages 06-10, respectively.

Notice is further given that upon the recording of this Notice, the County Auditor shall enter on the county assessment roll opposite each lot or parcel of land the amount assessed thereupon, as shown in the assessment, in accordance with Section 22645 of the Streets and Highways Code.

Property owners in the District pay assessments through property tax bills which the City uses to maintain roads within the District. City staff met with property owners to discuss the level at which levies for road maintenance should be set. At the direction of the homeowners in attendance at meetings held December 14, 2017, and April 11, 2018, the City staff set the levy for the Street and Storm Drain Benefit Assessment District at an amount that will only cover short-term maintenance of the roads, but will not be sufficient for long-term maintenance and repair.

The Assessment District levy amount entered on the county assessment roll for the 2023/2024 fiscal year, and anticipated amounts for future years, are sufficient only for the annual operating costs and a periodic surface treatment (slurry seal) of the roads. As discussed at the aforementioned meetings and the Public Hearings, Neighborhood meetings, and Annual Notices since 2018, these funds will only be enough to cover road maintenance costs. The roads will require more in-depth road rehabilitation projects (expected around 2034) that will require significant funding. The estimated cost of that work is just under \$1,000,000 using 2018 dollars, and is the financial obligation of the residents of the District. As the needed road rehabilitation project approaches, a financing mechanism will need to be approved and paid for by the residents to fund the longer-term improvements needed to maintain the District.

The name or names of the owners of the assessed parcels as they appear on the latest secured assessment roll are set forth in Exhibit "A" hereto attached and by reference incorporated herein.

Dated: _____, 2023

Lara K. Christensen, City Clerk
City of Atascadero



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

I 1

Department: Administrative Services
Date: 6/10/25
Placement: Management Report

TO: JAMES R. LEWIS, CITY MANAGER
FROM: JERI RANGEL, ADMINISTRATIVE SERVICES DIRECTOR
PREPARED BY: CINDY CHAVEZ, DEPUTY DIRECTOR OF ADMINISTRATIVE SERVICES
SUBJECT: 2025-2027 Operating and Capital Budget

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution adopting the budgets for the 2025-2026 and 2026-2027 fiscal years and delegating to the City Manager the authority to implement same.
2. Adopt Draft Resolution amending fiscal year 2024-2025 budget.
3. Adopt Draft Resolution adopting the fiscal year 2025-2026 annual spending limit.
4. Adopt Draft Resolution reaffirming the necessity of Development Impact Fees.

DISCUSSION:

The budget for fiscal years 2025-2026 and 2026-2027 was reviewed by the Finance Committee during a public meeting held on May 22, 2025. Included in the budget document is the Budget Message, which provides a detailed analysis of the budget philosophy and process, key priorities for the next two years, key community issues and trends impacting the 2025-2027 budget, and changes to funding and service levels in the 2025-2027 budget. Also included in the document are the Draft Resolutions adopting the proposed 2025-2027 budget, amending the 2024-2025 budget, adopting the 2025-2026 annual spending limit and reaffirming the necessity of Development Impact Fees.


FISCAL IMPACT:

The total revenues for all funds are budgeted at \$69,295,860 and \$77,667,500 for fiscal years 2025-2026 and 2026-2027, respectively. Total expenditures for all funds are budgeted at \$71,831,300 and \$78,972,580 for fiscal years 2025-2026 and 2026-2027, respectively.

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENTS:

1. Draft Resolution adopting the budgets for the 2025-2026 and 2026-2027 fiscal years and delegating to the City Manager the authority to implement same.
2. Draft Resolution amending fiscal year 2024-2025 budget.
3. Draft Resolution adopting the fiscal year 2025-2026 annual spending limit.
4. Draft Resolution reaffirming the necessity of Development Impact Fees.

The City of Atascadero Draft Budget for fiscal years 2025-2026 and 2026-2027 may be viewed in the Office of the City Clerk or online at www.atascadero.org/budget.

**DRAFT RESOLUTION
RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ATASCADERO
ADOPTING BUDGETS FOR THE 2025-2026 AND 2026-2027
FISCAL YEARS AND DELEGATING TO THE CITY MANAGER
AUTHORITY TO IMPLEMENT SAME**

WHEREAS, the 2025-2026 and 2026-2027 fiscal budgets of the City of Atascadero have been submitted to this Council and have now been considered and are in final form and substance satisfactory to this Council.

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

SECTION 1. The fiscal budgets for the City of Atascadero for the fiscal years 2025-2026 and 2026-2027, attached herewith, setting forth the budget totals and hereby incorporated by reference, are hereby adopted in the form on file with the City Clerk.

SECTION 2. All encumbrances as of June 30 of each fiscal year, as represented by outstanding purchase orders, and approved capital projects in process, are hereby authorized to be carried forward into the next fiscal year budget.

SECTION 3. The City Manager is hereby authorized to take all necessary actions to implement the provisions of said budgets as adopted on this date, including adjustments to the budgets for unanticipated expenditures offset by revenues and any other adjustments approved by Council prior to the adoption of this resolution.

SECTION 4. All General Fund balances as of June 30 each year will be appropriated into the Reserves.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June, 2025.

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

ATTEST:

Charles Bourbeau, Mayor

Lara K. Christensen, City Clerk

**DRAFT RESOLUTION
RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ATASCADERO, CALIFORNIA,
AMENDING FISCAL YEAR 2024-2025 BUDGET**

WHEREAS, the City Council adopted Resolution 2023-058 setting the budget for fiscal year 2024-2025; and

WHEREAS, the City Council hereby wishes to amend said budget.

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

SECTION 1. The appropriation amounts are amended as follows:

	2024-2025 Increase / (Decrease)	
	Revenue Budget Adjustments	Expenditure Budget Adjustments
Building Maintenance and Replacement Fund (Fund 615)	\$ -	\$ 6,073,090
Public Safety Facilities Fund (Fund 385)	6,073,090	6,073,090
Local Transportation Fund (Fund 265)	597,960	-
Atascadero Tourism Business Improvement District Fund (Fund 235)	-	56,000
Capital Projects Fund (Fund 310)	-	25,000
2010 Bond Proceeds Master Agreement Fund (Fund 315)	-	710

SECTION 2. These changes are effective immediately upon adoption of this resolution.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June, 2025.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

CITY OF ATASCADERO

ATTEST:

Charles Bourbeau, Mayor

Lara K. Christensen, City Clerk

**DRAFT RESOLUTION
RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ATASCADERO, CALIFORNIA,
ADOPTING THE FISCAL YEAR 2025-2026
ANNUAL SPENDING LIMIT**

WHEREAS, Proposition 111 revises the methodology used to calculate the Annual Spending Limit; and

WHEREAS, the City of Atascadero must select the most appropriate criteria to be used in calculating the annual limit.

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

SECTION 1. That the City of Atascadero elects to use the following criteria for fiscal year 2025-2026 in establishing its new Annual Spending Limit.

County Population Growth and
Growth in Non-Residential Assessed Valuation

SECTION 2. That the annual spending limit for 2025-2026 is calculated as follows:

Fiscal Year	Percentage Change	New Limit
2025-2026	21.15%	\$68,289,121

SECTION 3. Any judicial action or challenge must be commenced within 45 days of the effective date of this resolution.

SECTION 4. Documentation used in determining the Annual Spending Limit is available to the public in the Administrative Services Department, 6500 Palma Avenue, Atascadero, California 93422.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June, 2025.

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

ATTEST:

Lara K. Christensen, City Clerk

Charles Bourbeau, Mayor

**DRAFT RESOLUTION
RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ATASCADERO, CALIFORNIA,
REAFFIRMING THE NECESSITY OF
DEVELOPMENT IMPACT FEES**

WHEREAS, the City of Atascadero is required to make certain findings every five years with respect to the unexpended fund balance of certain development impact fees funds pursuant to California Government Code Section 66001; and

WHEREAS, the Council finds that expenditures made on public improvements funded from development impact fees are consistent with the requirements of Government Code Section 66006.

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

SECTION 1. The recitations above are true and correct.

SECTION 2. That the following findings are made as required under the Government Code Section 66001:

- A. The purpose to which each development impact fee is to be spent has been identified.
- B. There is a continued need for the improvements and that there is a reasonable relationship between the fee and the impacts for development for which the fees are collected.
- C. The sources and amounts of funding anticipated to complete the financing of capital projects have been identified and will be deposited into the appropriate fund upon receipt or during the normal budget cycle.

SECTION 3. That these findings are based on information provide in the City of Atascadero Two Year Budget document for fiscal years 2025-2026 and 2026-2027, on file with the City Clerk.

PASSED AND ADOPTED at a regular meeting of the City Council held on the 10th day of June, 2025.

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

ATTEST:

Lara K. Christensen, City Clerk

Charles Bourbeau, Mayor