

TO: James L. App, City Manager

FROM: Doug Monn, Public Works Director

SUBJECT: Drainage Maintenance Assessment District Formation & Landscape and Lighting Sub area 112 & 2A-1 Balloting

DATE: March 18, 2008

NEEDS: For the City Council to consider approval of required Resolutions allowing the balloting to commence for the establishment of the Ashwood Drainage Maintenance Assessment District and the increase of assessments for Landscape and Lighting District Sub Areas 112 and 2A-1.

- FACTS:**
1. To meet the requirements of a settlement agreement (Ashwood Place), and to protect residents against the potential of overland flooding, formation of a drainage assessment district to ensure the proper maintenance of the drainage easement running through affected properties is advised.
 2. Landscape and Lighting District sub areas 112 and 2A-1 are being recommended for reballoting to increase assessment to a level that will fund full service.
 3. At the December 18, 2007 meeting City Council authorized staff to undertake the establishment of a drainage assessment district (Ashwood Place) and the reballoting of sub areas 112 and 2A-1. Approval of the attached Resolutions will allow the ballot distribution.

ANALYSIS & CONCLUSION:

The formation of a Drainage Maintenance Assessment District involving certain properties along Ashwood Place will meet the requirements of a January 2005 flood damage settlement agreement. Since this area requires only maintenance of a drainage easement (no requirement for landscape maintenance) it must be a drainage district not an addition to the already established Landscape and Lighting District. If the Council approves formation of this district, Mike Harrod (owner of the undeveloped properties) has agreed to support the formation of the district.

Reballoting of two existing Sub Areas (2A-1 & 112), if successful, will allow full service to returns to those areas.

Sub area 112 is a relatively new subdivision (tract 2609 located at Meadowlark Rd. & Oriole Way) containing amenities that cannot be maintained with the existing assessment. The owner of the development agrees that the maximum assessment should be raised and has pledged to support a reballoting.

Sub area 2A-1 is an older established area that has previously rejected proposed assessment increases. Because insufficient funding did not allow maintenance of some improvements (specifically the Oriole/Cool Valley basin), appearance began to suffer. This maintenance shortfall prompted the residents to circulate a petition supporting a balloting effort. The petition was signed by more than 50% of the residents.

POLICY

REFERENCE: Landscape and Lighting Act of 1972.
Benefit Assessment act of 1982

FISCAL

IMPACT: If approved the fees will be paid using Paso Robles Landscape and Lighting District #1 assessments collected specifically for the Sub Area budgets being balloted and the newly formed Drainage District.

- OPTIONS:**
- a.** Approve attached Resolutions 08-xx and commence with the distribution of ballots.
 - b.** Amend, modify, or reject the above option.

CITY OF PASO ROBLES

DRAINAGE MAINTENANCE DISTRICT No. 2008-1



ENGINEER'S FORMATION REPORT

FISCAL YEAR 2008/2009

Intent Meeting: March 18, 2008
Public Hearing: May 6, 2008



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ASSESSMENT ENGINEER'S AFFIDAVIT

DRAINAGE MAINTENANCE DISTRICT NO. 2008-1

Formation of the District and Establishment of Annual Assessments

City of Paso Robles San Luis Obispo County, State of California

This Report describes the proposed formation of the City of Paso Robles Drainage Maintenance District No. 2008-1, as well as the establishment of assessments commencing in fiscal year 2008/2009, pursuant to a resolution of the City Council. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of parcels within the proposed City of Paso Robles Drainage Maintenance District No. 2008-1.

The undersigned respectfully submits the enclosed Engineer's Report that includes a general description of the plans and specifications, method of apportionment, budgets and proposed special benefit assessments associated therewith as directed by the City Council 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.

Dated this _____ day of _____, 2008.

MuniFinancial
Assessment Engineer
On Behalf of the City of Paso Robles

By: _____

Jim McGuire
Senior Project Manager
Financial Consulting Services

By: _____

Richard Kopecky
R. C. E. # 16742

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INTRODUCTION

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”), the City Council of the City of Paso Robles, County of San Luis Obispo, State of California (hereafter referred to as “City”), propose to form and levy special benefit assessments for the district to be designated as:

Drainage Maintenance District No. 2008-1

(hereafter referred to as “District”).

The purpose of the District is to provide the necessary annual funding to service and maintain drainage improvements associated with the planned residential development designated as parcel map PR03-0338 — Ashwood Place (hereafter referred to as the “PR03-0338 Subdivision”). It has been determined that the improvements are required and necessary for the orderly development of the lots and parcels of land within the PR03-0338 Subdivision and that the improvements and services to be provide will enhance and protect those properties as well as ensure the ecological and environmental integrity of the drainage improvements (creek area). This Engineer’s Report (hereafter referred to as “Report”) has been prepared in connection with the formation of said District and the levy and collection of annual assessments related thereto commencing in fiscal year 2008/2009, as required pursuant to *Section 54716* of the 1982 Act.

The City Council proposes to form the District, and levy and collect annual assessments on the County tax rolls upon properties within the District to provide an ongoing funding source for the continued operation and maintenance of the drainage improvements (creek area) that have been identified as necessary and essential requirements for the orderly development of the properties within the District, consistent with the development requirements for the PR03-0338 Subdivision and applicable portions of the City General Plan. This Report describes the District, the improvements, and the proposed assessments to be levied against properties in connection with the special benefits that the properties will receive from the maintenance and servicing of the improvements.

The budget and assessments described in this Report represent an estimate of the direct expenditures, incidental expenses, and fund balances that will be necessary to ensure proper maintenance, servicing and long term funding needs to support the creek maintenance and drainage improvements that provide special benefits to properties within the District. The structure of the District (organization), the proposed improvements, the method of apportionment, and assessments described herein are based on current property development plans for the PR03-0338 Subdivision and specifications associated with that planned development; 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 formation, the City shall conduct a property owner protest ballot proceeding for the proposed levy of new assessments pursuant to the provisions of the California Constitution, Article XIII D Section 4. In conjunction with this ballot proceeding, the City Council will conduct 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 will be opened and tabulated to determine whether majority protest exists (ballots shall be weighted based on the calculated proportional assessment amount for each benefiting parcel), and by resolution the City Council will confirm the results of the ballot tabulation. If majority protest exists, proceedings for the formation of the District and the levy of the proposed assessments shall be abandoned. If tabulation of the ballots indicates that majority protest does not exist for the assessments and the assessment range formula presented and described herein, the City Council may approve the Report (as submitted or amended), order the formation of the District, and approve the levy and collection of assessments. In such case, the assessments for fiscal year 2008/2009 shall be 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, the proposed services, the annual 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.

This Report consists of five (5) parts:

Part I

Plans and Specifications: A general description of the District boundaries and the proposed improvements associated with the District. The District is being formed with a single benefit zone encompassing all properties within the territory identified as the planned residential development PR03-0338 — Ashwood Place.

Part II

The Method of Apportionment: A discussion of the special benefits to properties within the District, and the method of calculating each property's proportional special benefit and annual assessment. This section also identifies and outlines an Assessment Range Formula that provides for annual inflationary adjustments to the maximum assessment rate identified in this Report. The Assessment Range Formula provides for reasonable cost adjustments due to inflation without the added expense of additional property owner protest ballot proceedings, but also establishes limits on future assessments.

Part III

The District Budget: An estimate of the annual costs to maintain and service the drainage (creek area) improvements that have been required for the development of properties within the District.

This budget includes an estimate of anticipated direct maintenance costs and incidental expenses including, but not limited to administration expenses and the collection of appropriate fund balances to establish an initial maximum assessment to be approved by the property owner(s) of record. The assessments for the first fiscal year (2008/2009) and each subsequent year shall be based on the estimated net annual cost of operating, maintaining and servicing the District improvements for that fiscal year. The proposed maximum assessment rate per Equivalent Benefit Unit identified in this Report is based on an estimate of the annual expenses at full build out of the properties within the District according to approved development plans and the method of apportionment outlined in this Report. However if the proposed development of properties within the District is modified resulting in a change in the total number of assigned benefit units, the maximum assessment rate for the District shall be modified accordingly based on the budget presented herein and the total benefit units applied to properties in the District. Such a change shall not constitute an increased assessment.

Part IV

District Diagram: A Diagram showing the exterior boundaries of the District is provided in this Report and includes all parcels within the planned residential development designated as PR03-0338 — Ashwood Place. Parcel identification, the lines and dimensions of each lot and parcel of land within the District, are inclusive of all parcels as shown on the San Luis Obispo County Assessor's Parcel Maps as they existed at the time this Report was prepared, and shall include all subsequent subdivisions, lot line adjustments or parcel changes therein. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

Part V

Assessment Roll: A listing of the proposed assessment amount to be presented to the property owner(s) of record in the protest ballot proceedings required pursuant to the provisions of the California Constitution. While the proposed assessment amount for each parcel is based on the parcel's proportional special benefit as outlined in the method of apportionment and the proposed maximum assessment rate described in this Report, all parcels within the proposed District are currently owned by a single property owner and for balloting purposes a single ballot representing the entire amount to be balloted shall be presented to that property owner in the protest ballot proceeding.

Part I — Plans and specifications

Description of the District

At the time of the preparation of this Report, the territory of the District is identified by the County of San Luis Obispo as assessor's parcel number 009-750-007, which encompasses an area of approximately 2.5 acres. This parcel is currently identified by the County Assessor's Office with one single-family residential unit on the property, but is proposed to be subdivided to include an additional three single-family residential properties (total of four parcels) as part of the planned PR03-0338 Subdivision.

The District is situated in the southeastern portion of the City of Paso Robles and is located on the north side of Ashwood Place:

- East of Beechwood Drive;
- West of Oriole Way;
- South of Larkfield Place; and
- Generally north of Meadowlark Road.

Improvements and Services

The purpose of this District is to fund the activities necessary to maintain and service specific drainage improvements associated with the properties in the District, namely the existing creek area associated with the proposed PR03-0338 Subdivision. The creek area within the District is one segment of the overall drainage system, which provides storm water runoff control for the properties in the area including those within this District. This creek provides and controls the flow and drainage of excess irrigation water and storm water runoff from adjacent properties acting both as a channel way and bio-filter. This drainage facility originates north of this planned development and the water flows across the territory of the District southward to adjacent properties and ultimately to a control basin east of Oriole Way. The maintenance and operation of these particular drainage improvements may include but are not limited to the materials, equipment, labor, and incidental expenses necessary to keep these improvements in satisfactory condition, ensuring the functionality of the improvements, but also the ecological and environmental integrity of the creek.

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, servicing and operation cost of drainage and flood control improvements. In addition to imposing a benefit assessment for the annual maintenance and operation of the 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. While such activities are permitted under the 1982 Act and

assessment revenues may be utilized for such activities, the budget and assessments for this District have been established to address annual maintenance and periodic repairs and services that are normally required to ensure the proper flow of storm water runoff as well as the ecological and environmental integrity of the drainage improvements. Since most major rehabilitation or reconstruction projects for such improvements would typically result from unforeseen damages or area flooding in excess of what is reasonably anticipated, the extent and cost of such projects are not easily predicted and it has been determined that it is not reasonable or appropriate to accumulate additional funds for such possibilities. If such funding becomes necessary, the City may present a new or increased assessment to the property owners to support such major rehabilitation or reconstruction projects.

The District budget and proposed assessments identified in this Report are based on an estimate of the annual and periodic costs to service and maintain the creek area within the boundaries of the District as well as offsite areas immediately adjacent to the District that are necessary to ensure the proper flow of water and the ecological integrity of the drainage improvements within the District and determined to be of special benefit to the properties therein including but not limited to:

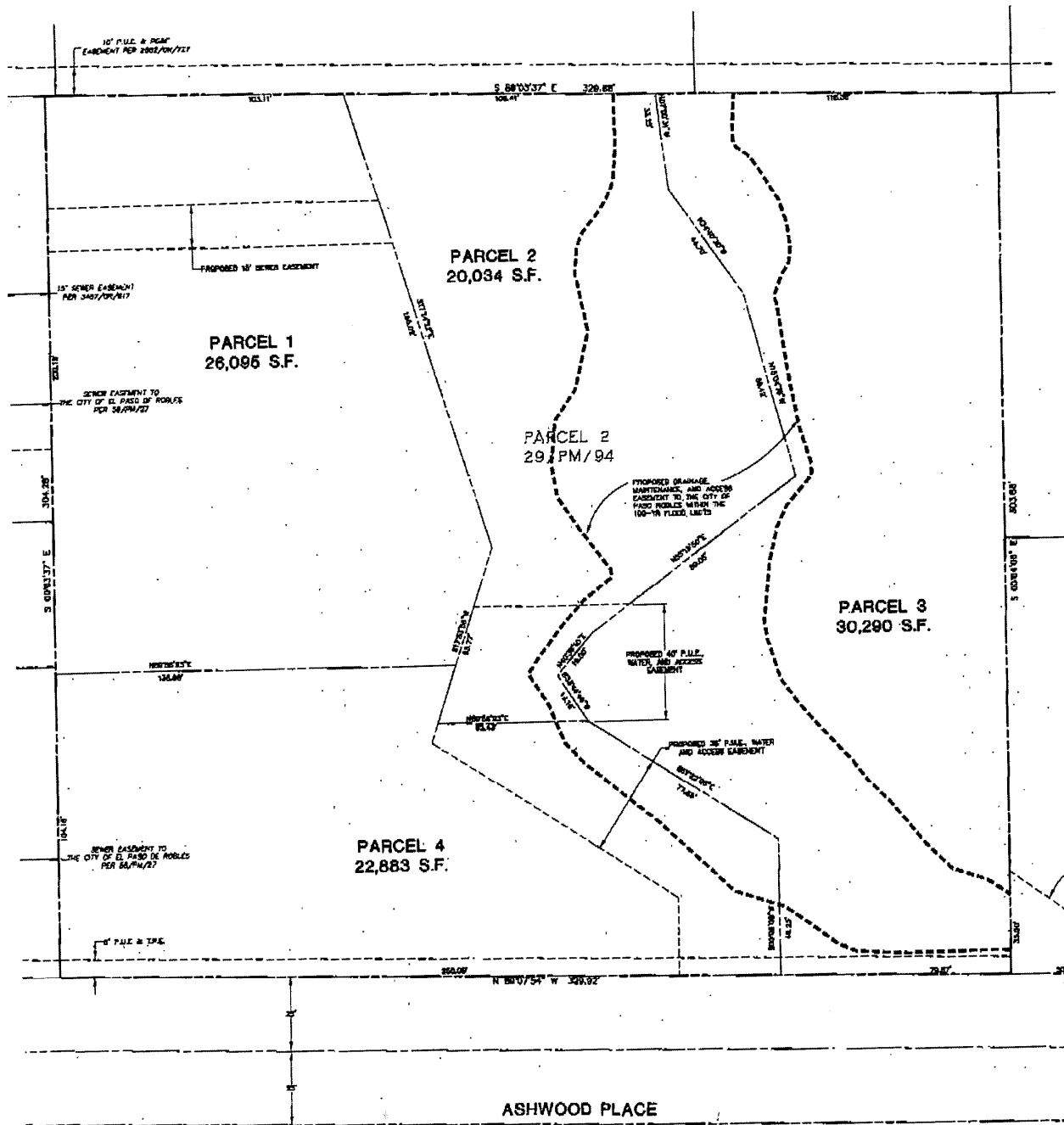
- Regular and periodic vegetation management within the overall drainage easement including but not limited to vegetation abatement, trimming, dethatching and vegetation replacement;
- Regular large debris removal and control within the creek to ensure proper water flow;
- Periodic desilting and/or small debris removal and control as needed to ensure proper water flow and minimize flooding;
- Vector control on an as needed basis to maintain the environmental and ecological balance within the creek easement;

The Office of Public Works, shall determine the need and scheduling of the services and activities to be performed within the creek easement that are necessary to ensure the functionality and integrity of the drainage improvements as well as available funds to provide such services.

A diagram that identifies the general location of the proposed drainage easement (improvement area) relative to the proposed subdivision of properties within the District is provided on the following page. A more detailed description of the improvement area easement to be maintained through the District is contained in the development plans for the PR03-0338 Subdivision which is on file in the Office of Public Works and by reference is made part of this Report. These plans and specifications may be amended or modified from time to time to reflect the ultimate development of properties within the District or necessary to accommodate the proper flow and integrity of the improvements. 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 from those various improvements.

Diagram of Drainage Easement:

The following diagram provides a visual perspective of the proposed creek easement (drainage improvement area) within the boundaries of the District:



Part II — METHOD OF APPORTIONMENT

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 street lighting, streets, roads and highways. 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.

Benefit Analysis

As previously noted, the drainage improvements associated with this District are an integral part of a more comprehensive drainage and ecological system in the area and as such, any unnecessary modifications or alterations to that system may negatively impact not only the property within the proposed District but may also impact surrounding properties or the drainage system itself. While this may initially suggest that there is some measurable benefit to the surrounding properties or to the public at large from the District improvements, the cost of which could be considered a general benefit and not assessed to properties in the District, clearly any damages to other properties resulting from modifications of the existing drainage system or improper maintenance of those improvements would ultimately be the financial liability of the property owner(s) responsible for causing such damages.

In addition, the proper maintenance of the improvements and appurtenant facilities allows individual parcels to be developed and used to their fullest extent by ensuring adequate drainage and proper control of excess water during periods of rain, which is essential to the use, preservation and protection of those properties. Conversely, the absence of adequate maintenance and servicing of these improvements would eventually have a negative impact on these particular properties as well. Clearly, providing for the proper control, maintenance and operation of the drainage improvements

within this District must therefore be an integral part of the planned PR03-0338 Subdivision. Based on these findings, it is apparent that the improvements, services and activities proposed for this District are a special benefit to only those properties within this District and ultimately the financial responsibility of those properties.

While it is clear that the drainage improvements to be provided by this District are entirely for the special benefit of the lots and parcels of land therein and ultimately the financial obligation of those properties, it has been determined by the City and supported by a court order, that the proper and adequate maintenance of the creek area (drainage improvements) shall not be relegated to the individual property owners, but shall be provided by the City utilizing assessment revenues from those properties. This is consistent with similar assessments levied annually on other properties in the area through the City's existing landscaping and lighting district.

Assessment Methodology

Pursuant to the provisions of the 1982 Act and Article XIIIID Section 4 of the California Constitution, the costs associated with the improvements and services shall be fairly distributed among the parcels based upon benefit and each parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred to that parcel. 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 use of that parcel as compared to other properties within the District.

Equivalent Benefit Units:

The method of apportionment established for most maintenance assessment districts utilizes a weighted method of apportionment known as an Equivalent Benefit Unit (EBU). This method of apportioning special benefit and costs typically sets the single-family home or home-site as the basic unit of assessment. A single-family home is generally assigned one Equivalent Benefit Unit (EBU), with other land uses being assigned a weighted EBU based on an assessment formula that equates the property's special benefits to that of the single-family home utilizing specific property characteristic comparisons. This proportional weighting may be based on several factors that may include, but are not limited to: the location of the property relative to the improvements, the type of development (land use), development-status (developed versus undeveloped), size of the property, densities or other property related factors including any development restrictions or limitations. Generally for most districts the calculation of each parcel's proportional special benefit can be reasonably determined by applying one or more of these factors.

While the Equivalent Benefit Unit method of apportioning special benefit is most commonly used for districts that have a wide range of land use classifications (residential and non-residential use), the use of this methodology is still applicable for this District even though it is comprised of only existing or planned residential properties. Although each of the proposed residential lots within the District will not be directly adjacent to the creek easement, the ability to develop or subdivide the existing property to two or more individual lots is contingent on providing for the drainage improvements. Therefore it has been determined that each proposed residential lot will have similar

and equal benefits from the improvements and shall be assigned one Equivalent Benefit Unit (1.00 EBU) each; and until the existing property is actually subdivided, the existing parcel shall be assigned a weighted equivalent benefit unit of 4.00 EBU (representing the four planned residential lots).

The proposed maximum assessment rate per Equivalent Benefit Unit identified in the Budget section of this Report is based on an estimate of the annual expenses at full build out of the properties within the District according to the proposed development plans for the PR03-0338 Subdivision (Four single-family residential properties — 4.00 EBU). However if the proposed development of properties within the District is modified resulting in a change in the total number of residential units, the maximum assessment rate for the District shall be modified accordingly based on the budget presented herein and the total benefit units applied to properties in the District at build-out. Such a change shall not constitute an increased assessment.

Assessment Calculations:

The total number of Equivalent Benefit Units (EBU's) for the District is the sum of all individual EBU's applied to parcels that receive special benefit from the improvements. As noted in the previous discussion the total Equivalent Benefit Units established for this District is 4.00 EBU based the proposed development of the territory within the District (PR03-0338 Subdivision plans). 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 all parcels benefiting from the improvements.

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

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.

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

Note: In the protest ballot proceedings to be conducted in conjunction with the formation of this District, the existing parcel (Assessor's Parcel Number 009-750-007) has been assigned the total Equivalent Benefit Units for the District (4.00 EBU) even though the parcel currently represents only one of the four future single-family residential units. This parcel shall be balloted for an amount that represents the total district maximum assessment amount.

Assessment Range Formula

While the budget and method of apportionment for this District establishes a proposed maximum assessment for each lot/parcel within this District, these assessments reflect the proportional cost of providing the improvements in today's dollars. Clearly, these costs for service will inevitably be impacted by inflation in subsequent years. To ensure adequate funding is available in the future an assessment range formula for inflation is included as part of the maximum assessment rate to be presented to the property owner(s) of record for approval. The formula, as described herein provides for annual inflationary adjustment to the maximum assessments that may be imposed each year without requiring the extensive procedure and cost of balloting for normal operational cost increases. The annual inflationary formula (assessment range formula) described herein should provide for modest increases to the assessment revenues to meet anticipated cost increases in labor and materials that result from normal inflationary factors.

Commencing in the second fiscal year (fiscal year 2009/2010), and each fiscal year thereafter, the maximum assessments and assessment rate established in the previous fiscal year shall be adjusted by the percentage change increase in the Consumer Price Index reported by the San Francisco/Oakland Urban Wage Earners and Clerical Workers (CPI).

The maximum assessment that may be levied in a fiscal year is increased annually by the following formula:

$$\begin{array}{l}
 \textit{(Prior Year's Maximum Assessment x CPI)} \\
 \textit{Plus} \\
 \textit{Prior Year's Maximum Assessment}
 \end{array}
 \left. \vphantom{\begin{array}{l} \textit{(Prior Year's Maximum Assessment x CPI)} \\ \textit{Plus} \\ \textit{Prior Year's Maximum Assessment} \end{array}} \right] = \textit{Current Year's New Maximum Assessment}$$

The CPI percentage change used each year shall be based on the annual percentage change for the preceding 12 months. For example, the annual inflation factor applied for fiscal year 2009/2010 will be based on the annual percentage change from 2008 to 2009 utilizing the most current information available at the time the annual Engineer's Report is prepared.

Although the Annual Inflation Adjustment will increase the maximum assessments and assessment rate allowed each year, the actual amount to be assessed shall be based on the annual budget and may be less than the maximum assessments allowed.

As part of these Ballot proceedings, property owners will be balloted for the maximum assessment rate and the inclusion of the Annual Inflation Adjustment described herein. The notice and ballot presented to each property owners will identify the proposed Maximum Assessment Rate and the Annual Inflation Adjustment.

Part III — DISTRICT BUDGETS

This section of the Report provides an estimate of the annual costs to be collected and deemed appropriate for the operation, maintenance and servicing of the improvements for the District.

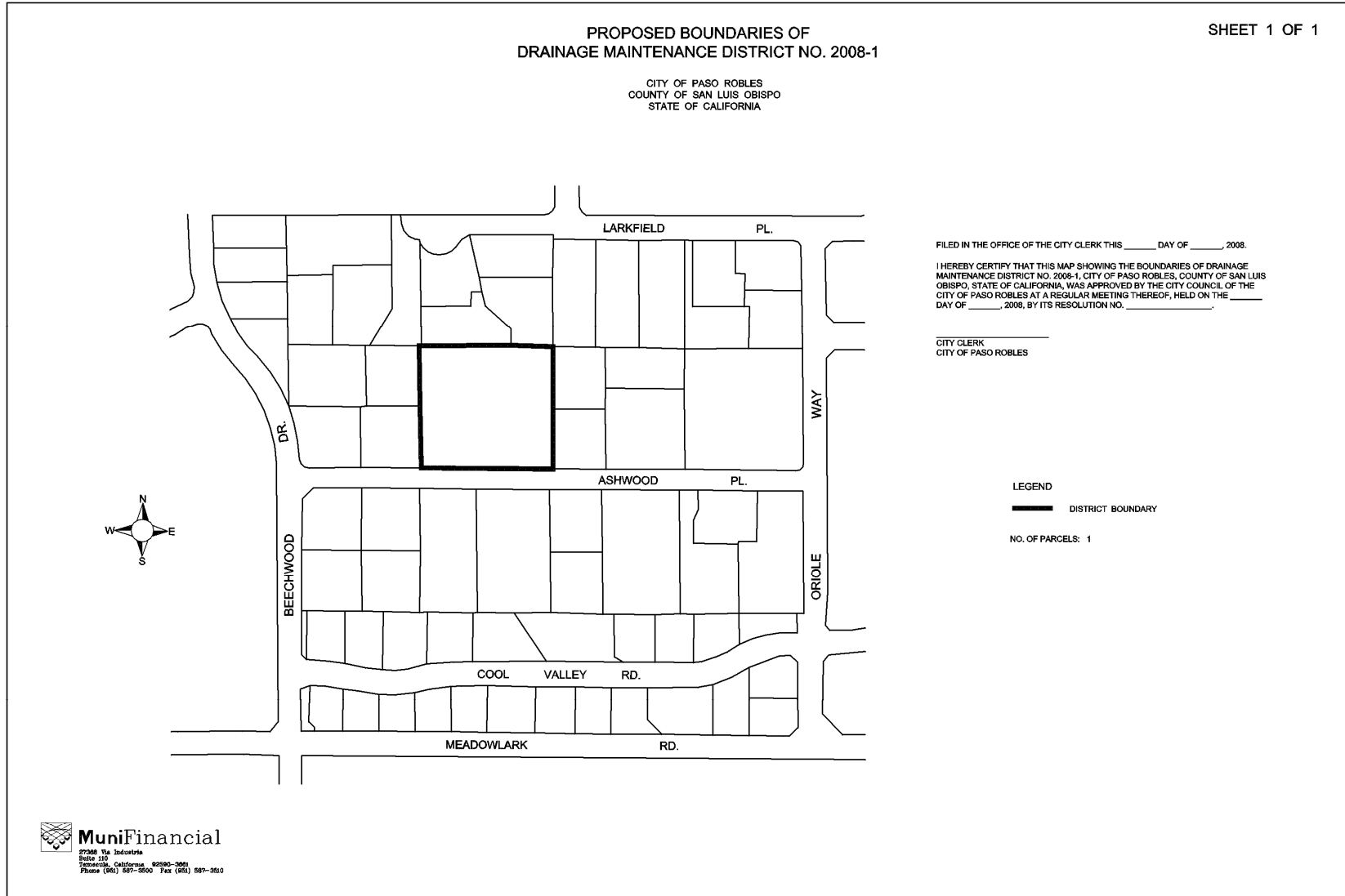
The proposed maximum assessments (Rates per Equivalent Benefit Unit) identified in the budgets of this Report establishes the initial maximum assessments for the District in fiscal year 2008/2009 based on the proposed development of properties within the District and shall be adjusted annually by the Assessment Range Formula described in the method of apportionment.

| BUDGET ITEMS | Proposed Budget Maximum | Proposed Budget FY 2008/2009 |
|---|-------------------------------|------------------------------------|
| DIRECT COSTS | | |
| Annual Creek Maintenance | \$3,600 | \$1,800 |
| Collection for Periodic Maintenance | 900 | 450 |
| Sub-total Maintenance Costs | 4,500 | 2,250 |
| ADMINISTRATION COSTS | | |
| District Administration | 1,350 | 1,130 |
| County Administration Fee | 8 | 2 |
| Sub-total Administration Expenses | 1,358 | 1,132 |
| LEVY ADJUSTMENTS | | |
| Reserve Fund Collection/(Contribution) | 293 | 293 |
| Contributions from General Fund | - | - |
| Sub-total Levy Adjustments | 293 | 293 |
| Balance to Levy | \$5,858 | \$3,382 |
| Amount Balloted | \$ 5,860 | |
| DISTRICT STATISTICS | | |
| Total Parcels | 4 | 1 |
| Total Assessable Parcels | 4 | 1 |
| Total Equivalent Benefit Units | 4.00 | 4.00 |
| Proposed Levy per EBU | \$1,464.50 | \$845.50 |
| Proposed Maximum Rate per EBU (Balloted Rate) | \$1,465.00 | \$1,465.00 |

Part IV — DISTRICT DIAGRAMS

The following District Diagram identifies the area of land within the proposed District, as the same existed at the time this Report was prepared is based on the San Luis Obispo County Assessor's Maps and the San Luis Obispo County Assessor's information. The combination of this map and the Assessment Roll contained in Part V of this Report constitute the District Assessment Diagram. The maximum assessments and assessment range formula as described herein shall be presented to the property owner(s) of record in accordance with the provisions of the California Constitution.

**ASSESSMENT DIAGRAM FOR
DRAINAGE MAINTENANCE DISTRICT NO. 2008-1
CITY OF PASO ROBLES, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA**



Part V — 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.

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 rates described in this Report as approved by the City Council. Therefore, if a single parcel is subdivided to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

The following is a list of the parcels and proposed assessment amounts for each of the parcels within the District as determined by the assessment rates and method of apportionment described herein:

| Assessor's Parcel Number | Land Use | EBU | Maximum Assessment Balloted | Proposed Assessmnet FY 2008/2009 |
|--------------------------------|---------------------------------|------|-----------------------------------|--|
| 009-750-007 | Planned Residential Subdivision | 4.00 | \$5,860.00 | \$3,382.00 |

CITY OF PASO ROBLES SUPPLEMENTAL ENGINEER'S REPORT

PROPOSED ASSESSMENT INCREASE SUB-AREA 2A-1 OF THE CITY OF PASO ROBLES LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT No. 1 COMMENCING FISCAL YEAR 2008/2009



INTENT MEETING: MARCH 18, 2008
PUBLIC HEARING: MAY 6, 2008



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Affidavit for the Engineer's Report

CITY OF PASO ROBLES
LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT NO. 1
Proposed Assessment Increase for Sub-Area 2A-1
Commencing fiscal year 2008/2009

This Report describes the proposed changes and modifications to the budget, improvements and assessments to be levied for properties within Sub-Area 2A-1 of the City of Paso Robles Landscape and Lighting Maintenance District No. 1 commencing in fiscal year 2008/2009, pursuant to a resolution of the City Council. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of parcels within Sub-Area 2A-1 of the City of Paso Robles Landscape and Lighting Maintenance District No. 1. The undersigned respectfully submits the enclosed Report as directed by the City Council and 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.

Dated this _____ day of _____, 2008.

MuniFinancial
Assessment Engineer
On Behalf of the City of Paso Robles

By: _____

Jim McGuire
Senior Project Manager

By: _____

Richard Kopecky
R. C. E. # 16742

Introduction

Pursuant to the provisions of the *Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500* (hereafter referred to as the "1972 Act"), and in compliance with the provisions of the *California State Constitution Articles XIII C and XIII D* (hereafter referred to as the "Constitution" or "California Constitution"), this Engineer's Report (hereafter referred to as "Report") has been prepared as required pursuant to Chapter 3, Section 22622 of the 1972 Act, in connection with the proceedings required for any proposed new improvements or substantial changes in existing improvements and the resulting annual levy of assessments within the district designated as:

City of Paso Robles Landscape and Lighting Maintenance District No. 1

(hereafter referred to as "District").

The maintenance, operation and servicing of the improvements associated with specific areas of the District that provide a special benefit to the properties within those areas are grouped into benefit zones that are identified in this District as Zones and Sub-Areas. These Zones and Sub-Areas identify the properties within various regions of the District that receive special benefits from specific improvements that have been installed in connection with the development of those properties or are directly associated with those properties. This Report has been prepared and presented to the City Council of the City of Paso Robles (hereafter referred to as "City"), County of San Luis Obispo, State of California, for their consideration and approval of the proposed maintenance and servicing of improvements to be provided specifically within the existing benefit zone designated as Sub-Area 2A-1 of Zone 2 in the City of Paso Robles Landscape and Lighting Maintenance District No. 1 (hereafter referred to simply as "Sub-Area 2A-1") and the levy and collection of annual assessments related thereto commencing in fiscal year 2008/2009.

To ensure that the District assessments accurately reflected the special benefit to each property, a full review of the District improvements, the cost of providing each of those improvements and an analysis of the parcels that benefit from various improvements was conducted in fiscal year 2006/2007. As a result of this review and benefit analysis, the District structure (organization) was modified, which grouped several individual Sub-Areas into geographical areas referred to as Zones. Within these Zones the original Sub-Area designations were retained in most cases to appropriately identify properties and allocate the cost of specific improvements or services that benefit properties within each of those Sub-Areas (some improvements are shared by more than one Sub-Area, while others are Sub-Area specific). This reorganization created a more defined District structure and nexus to the various District improvements and the properties. In conjunction with this reorganization, the City conducted a property owner protest ballot proceeding for various new or increased assessments. In those Sub-Areas where majority protest existed (including Sub-Area 2A-1) the City made necessary adjustments in the level of service to maintain the various improvements associated with each respective Sub-Area commensurate with the revenues generated by the annual assessments at the previously approved maximum assessment rates.

However, some property owners within Sub-Area 2A-1 have indicated a desire for the City to increase the level of service and maintenance of the improvements within Sub-Area 2A-1 as well as a willingness to support an increase to their existing assessment to support such expenses. Therefore, City staff has developed an estimate of the annual cost to provide this higher level of service and associated costs, which is reflected in this Report and the resulting proposed assessment increase for Sub-Area 2A-1.

This Report has been prepared specifically to address the improvements and proposed changes in the level of service to be provided by the City for Sub-Area 2A-1. The annual costs of the improvements and the resulting proposed maximum assessment rate described herein, includes the estimated expenditures, deficits, surpluses, revenues, and reserve fund balances that the City has estimated as necessary to properly maintain and service the improvements associated with Sub-Area 2A-1 that facilitates a proposed assessment increase commencing with fiscal year 2008/2009. Each parcel shall be assessed proportionately for the net cost budgeted to provide the improvements that have been determined to provide special benefits to those properties within Sub-Area 2A-1, utilizing the method of apportionment previously established and approved for the District. However, the affected property owners of record must approve the proposed assessment increase before such an assessment may be imposed pursuant to the provisions of the California Constitution, Article XIID Section 4 and the proposed changes in service shall only be implemented if the proposed assessment increase is approved. Therefore the City proposes to conduct a property owner protest ballot proceedings for a proposed increase in the Maximum Assessment Rate previously adopted and authorized for Sub-Area 2A-1.

In conjunction with the ballot proceedings for the proposed increased assessment rate described in this Report the City Council will conduct a noticed public hearing to consider public testimonies, comments and written protests regarding Sub-Area 2A-1 of the District and the proposed levy of assessments related thereto. Upon conclusion of the public hearing, property owner protest ballots received will be opened and tabulated to determine whether majority protest exists (ballots shall be weighted based on each parcel's calculated proportional assessment amount), and by resolution, the City Council will confirm the results of the ballot tabulation. If majority protest exists, the proposed increased assessment shall be abandoned and the previously approved maximum assessment rate shall continue to be in affect for fiscal year 2008/2009. If tabulation of the ballots indicates that majority protest does not exist (property owners support the proposed assessment increase) the City Council may approve the proposed assessment and adopt the new maximum assessment rate for Sub-Area 2A-1 and the assessment range formula as presented in this Report. The assessments as approved, including the assessment range formula, shall be incorporated into the next annual Engineer's Report for the City of Paso Robles Landscape and Lighting Maintenance District No. 1 and in conjunction with the annual assessments for the other District Zones and Sub-Areas, the City Council will confirm the 2008/2009 annual assessments for Sub-Area 2A-1.

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

This Report consists of five (5) parts:

Part I

Plans and Specifications: A general description of the improvements and authorized services for which parcels within Sub-Area 2A-1 of the District may be assessed. Sub-Area 2A-1's proposed assessments as outlined in this Report are based on the improvements and proposed maintenance and servicing of those improvements that provide a special benefit to the properties within Sub-Area 2A-1 of the District.

Part II

The Method of Apportionment: A discussion of benefits the improvements provide to properties within Sub-Area 2A-1 and the method of calculating each property's proportional special benefit and annual assessment. The method of apportionment described herein is consistent with and unchanged from the method of apportionment previously approved and adopted for the City of Paso Robles Landscape and Lighting Maintenance District No. 1 in fiscal year 2007-2008 as described in the annual Engineer's report for the District, which is on file with the City Clerk and by reference is made part of this Report.

Part III

The Proposed Budgets: Provides an estimate of the annual costs to provide an adequate level of maintenance and servicing of the improvements for Sub-Area 2A-1 of the District. The budget information presented in this Report includes an estimate of anticipated direct maintenance costs and incidental expenses associated with Sub-Area 2A-1's improvements, including but not limited to administration expenses, and maintenance and operating costs associated with street lighting, parkway landscaping, slope landscaping, detention basin landscaping, open space landscaping, and related drainage facilities. The budget for the proposed assessment increase (establishment of a new maximum assessment) is based on the desire and request of property owners within Sub-Area 2A-1 to have the City enhance and expand the level of maintenance and servicing of the existing improvements associated with Sub-Area 2A-1. The actual assessment for fiscal year 2008/2009, and each subsequent year thereafter shall be determined and set forth in the annual Engineer's Report for the District based on the estimated net annual cost of operating, maintaining and servicing the improvements for that fiscal year as well as funds to be collected in installments to perform maintenance activities that cannot be reasonably collected in a single fiscal year's assessments. The proposed new maximum assessment rate for Sub-Area 2A-1, identified in the budget section of this Report, represents an increase to the existing maximum assessment rate established and approved in fiscal Year 2007/2008.

Part IV

Boundary Diagram: A diagram showing the overall boundaries of the District and each of the Zones and Sub-Areas therein is on file with the City Clerk and the Paso Robles Public Works Department, and by reference is made part of this Report. In conjunction with the District boundary diagram, a boundary map specifically showing the boundaries for Sub-Area 2A-1 is provided in this Report. Specific parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the boundaries of Sub-Area 2A-1 shall be inclusive of the

corresponding parcels shown on the San Luis Obispo County Assessor's Parcel Maps as they existed at the time this Report was prepared, and shall include all subsequent subdivisions, lot line adjustments or parcel changes therein. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within Sub-Area 2A-1.

Part V

Proposed Assessments: A listing of the calculated maximum assessment amount associated with each parcel within Sub-Area 2A-1 of the District. The calculated maximum assessment amount described herein constitutes an increase to the previously adopted maximum assessment and this new assessment will be presented to the property owners of record in a ballot proceeding as required pursuant to the provisions of the California Constitution. Said new or increased assessment represents each parcel's calculated proportional amount of the improvement costs proposed commencing in fiscal year 2008/2009 based on the estimated net annual cost to maintain and service the improvements as outlined in the budget(s) and method of apportionment contained in this Report.

Part I — Plans and Specifications

Description of the District

In general, the District provides for the continued maintenance, servicing, and operation of various landscaping and lighting improvements and appurtenant facilities located within the public rights-of-way and dedicated easements associated with specific developments and/or tracts within the City through the levy of annual assessments. As properties within the City are approved for development (new commercial developments or residential tracts) they have historically been annexed to the District as a new Sub-Area with a maximum assessment established and approved by the property owners to support the estimated annual cost to provide the improvements associated with that Sub-Area. Each property is assessed proportionately for only the improvements and associated expenses determined to be of special benefit to that property and these improvements are generally identified as public street lighting and landscape improvements and all incidental expenses related thereto including, but not limited to administrative expenses, labor, materials, equipment and services associated with the maintenance of street lighting, trees, turf, shrubs and other planting materials, irrigation systems, drainage systems, detention basins, open space areas, public pedestrian paths, and entry monuments.

This District was formed to fund the ongoing maintenance and operation of landscaping and lighting improvements associated with new developments in the City, and the City has continued to annex various commercial and residential developments to the District as Sub-Areas to support the improvements associated with those developments pursuant to the provisions of the 1972 Act and the California Constitution, Article XIII D. In fiscal year 2007/2008, the District was comprised of one hundred twenty-one (121) designated Sub-Areas. These designated Sub-Areas were identified as Sub-Areas 1 through 112 excluding:

- ❖ Sub-Area designations 17, 24, 26, 65 and 84, which were originally established for specific planned developments, but the development and annexation/formation were not completed;
- ❖ Sub-Area 80, which was originally established in fiscal year 2004/2005, but the developments for this Sub-Area were subsequently re-designated as Sub-Areas 36C, 36D, 36E and 36F; and,
- ❖ Sub-Areas 103, 104, 105, 107, 108, 109, and 111, which have been reserved for future developments that are in various stages of planning and or development, but have not yet been accepted for maintenance.

In addition to the various Sub-Area designations for the District, there are currently thirteen (13) designated Zones (geographical areas) of the District that comprise one or more of the District's Sub-Areas. While these Zones were established based on similarities in the type and/or location of the improvements that provide special benefits to properties within each of the Sub-Areas (similar improvements and/or services), or they proportionately share in the special benefits provided by one or more of the specific improvements provided within that Zone (shared improvements); some Zone designations currently identify groups of Sub-Areas within the District based solely on their geographical proximity to one another and the budgets and assessments for each Sub-Area are established independent of the other Sub-Areas within the Zone.

Zone Cost Allocations

The following provides a general description of the allocation of costs for the various developments and Sub-Areas that have been established as Zones within the District.

Shared Improvements: Those improvements identified as “Shared Improvements” may include improvements that are proportionately shared by all parcels within a Zone, or may be proportionately shared by a portion of the designated Sub-Areas or tracts within the Zone. Generally for most Zones, improvements such as local street lighting and perimeter landscaping are typically associated with each Sub-Area in a Zone, and the cost to provide these improvements are proportionately assessed to all parcels within the Zone. However, other improvements may be of special benefit to only a portion of the Zone, depending on the location and nature of the improvement in relationship to the parcels within the Zone. In these situations, the budgeted cost for providing that particular improvement may be budgeted and proportionately assessed to a subset of the Sub-Areas within the Zone or to a specific Sub-Area only. However, not all District Zones have improvements that are identified as “Shared Improvements”. Some Zones include Sub-Areas that are grouped together because they are in close proximity to one another and/or they have a similar improvements to be maintained, but the actual cost of maintaining the those improvements are budgeted as “Sub-Area Specific Improvements” only.

Sub-Area Specific Improvements: Those improvements classified as “Sub-Area Specific Improvements” are considered a special benefit to the parcels within a particular Sub-Area, and the budgeted cost of providing those improvements are proportionately allocated only to the parcels within that Sub-Area. In some instances however, a specific improvement may be considered primarily a “Sub-Area Specific Improvement” because of the specific location or type of improvement, but the improvement may also provide a reduced but similar special benefit to properties in other Sub-Areas of the Zone. In these situations, a portion of the cost may be allocated as a sub-Area specific cost with the remaining portion being treated as a shared improvement cost that is allocated to each Sub-Area that receives special benefit from that improvement. Therefore, a specific improvement within a Zone may be treated as both a “Shared” and a “Sub-Area Specific” improvement.

Description of Sub-Area 2A-1

Properties in Sub-Area 2A-1:

Sub-Area 2A-1 is generally located north of Meadowlark Road and east of Oriole Way. The properties within Sub-Area 2A-1 include:

- Forty-Four (44) parcels identified as Single-Family Residential properties; and
- Two parcels which constitute a detention basin.

The residential properties within Sub-Area 2A-1 include the subdivisions commonly referred to as: Meadowlark Farms Tract 1632-1 and Tract 1632-2.

Sub-Area 2A-1 Improvements

Sub-Area 2A-1 is part of Zone 02 within the District. Zone 02 is comprised of those residential subdivisions and properties generally located north of Meadowlark Road, east of Oriole Way and west of the City limits. The Sub-Areas within Zone 02 include:

- Sub-Area 2A-1 — Tracts 1632-1 and 1632-2;
- Sub-Area 2A-2 — Tract 1632-3;
- Sub-Area 2A-3 — Tract 1632-4;
- Sub-Area 2B — Tract 1632-5;
- Sub-Area 2C-1 — Tract 1632-6;
- Sub-Area 2C-2 — Tract 1632-7;
- Sub-Area 2D — Tract 1632-8;
- Sub-Area 2E — Tract 1632-9;
- Sub-Area 2F — Tract 1632-10; and,
- Sub-Area 15 — Tract 1832 (Erskine).

The costs associated with the various improvements within Zone 02 have been budgeted and apportioned to each Sub-Area and the parcels therein, based on their proportional special benefit from each of the various improvements provided within Zone 02. While some of the improvements within Zone 02 are shared proportionately by more than one Sub-Area, other improvements are considered Sub-Area specific and the cost of providing those improvements are assessed to only properties within that specific Sub-Area.

Shared Improvements:

The following is a list of improvements that are proportionately shared by one or more Sub-Areas within Zone 02. Some improvements are proportionately budgeted and assessed to all parcels within Zone 02, while others may be proportionately budgeted and assessed to two or more Sub-Areas depending on the location and nature of the improvement in relationship to the parcels within Zone 02.

Improvements Shared by All Sub-Areas of Zone 02:

- Local street lighting improvements;
- Irrigated parkway and slope (Shrubs) on north side of Meadowlark Road;
- Irrigated parkway (Shrubs) on Oriole Way between Cool Valley Road and Meadowlark Road;
- Irrigated parkway (Shrubs) on Oriole Way between Laurelwood Drive and Larkfield Place;

Sub-Area 2A-1 Specific Improvements:

The following is a list of improvements that provide special benefits only to Sub-Area 2A-1. The cost of providing these improvements are budgeted and proportionately assessed to only the parcels within Sub-Area 2A-1 that receives special benefits from that improvement.

- Detention Basin (Turf) in Sub-Area 2A-1;
- Off-Site drainage improvements (Creek area within Zone 03) attributed to Sub-Area 2A-1;
- Open space area in Sub-Area 2A-1 — Primarily budgeted as sub-area specific to Sub-Area 2A-1, but because of its location a small percentage of the cost is also shared by Sub-Areas 2A-1, 2A-2, 2B and 2D.

Part II — Method of Apportionment

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 formula used for calculating assessments in Sub-Area 2A-1 of the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

Benefit Analysis

Each of the proposed improvements, the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the Constitution and 1972 Act. The improvements associated with Sub-Area 2A-1 of the District have been identified as necessary, required and/or directly associated with the development of the properties within Sub-Area 2A-1, consistent with the proposed 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 of direct and special benefit to the properties.

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives special benefit from various improvements provided by the District. The desirability and security of properties is enhanced by the presence of local improvements in close proximity to those properties.

The special benefits associated with landscaped improvements are specifically:

- ◆ Enhanced desirability of properties through association with the improvements.
- ◆ Improved aesthetic appeal of properties providing a positive representation of the area.
- ◆ Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- ◆ Environmental enhancement through improved erosion resistance, dust and debris control.
- ◆ Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.

- ◆ Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti.
- ◆ Enhanced environmental quality of the parcels by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits associated with street lighting are specifically:

- ◆ Enhanced deterrence of crime and the aid to police protection.
- ◆ Increased nighttime safety on roads and streets.
- ◆ Improved ability of pedestrians and motorists to see.
- ◆ Improved ingress and egress to property.
- ◆ Reduced vandalism and other criminal act and damage to improvements or property.
- ◆ Improved traffic circulation and reduced nighttime accidents and personal property loss.

Based on the preceding special benefits, it has been determined that the improvements provided by the District and for which parcels within Sub-Area 2A-1 are assessed, contribute to the safety, security, aesthetic value and desirability of those properties. It has further been determined that these improvements, either individually or collectively are provided for the special benefit and enhancement of properties within the District and provide no measurable general benefit to properties outside the District or to the public at large.

Assessment Methodology

The benefit formula used within Sub-Area 2A-1 of the District reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on the special benefits to each assessable parcel. It has been previously determined that dedicated public easements, open space areas, public rights-of-ways, public greenbelts and parkways, utility rights-of-way, common areas, sliver parcels and bifurcated lots or any other property that cannot be developed, park properties and other publicly owned properties that are part of the District improvements or that have little or no improvement value, receive no special benefit from District improvements and are not assessed.

Per Parcel Benefit Calculation:

The developments within Zone 2 and specifically Sub-Area 2A-1 are comprised entirely of single-family residential properties. For these developments it was determined that the most appropriate apportionment of maintenance costs and special benefit was an equal per parcel distribution. This method of apportionment is used to proportionately allocate the net annual cost of the improvements (special benefit) to each parcel. The total amount to be levied in Sub-Area 2A-1 is shared and assessed equally to each benefiting parcel. The following formula is used to arrive at the levy amount for each parcel within Sub-Area 2A-1.

$$\frac{\textit{Total Balance to Levy for Improvements}}{\textit{Total Assessable Parcels}} = \textit{Parcel Levy Amount}$$

Assessment Range Formula

(Annual Inflationary Adjustment)

It is recognized that most costs associated with the maintenance and operation of public improvements will ultimately be impacted by inflation in subsequent years. In an effort to minimize this impact, a formula for an inflation adjustment shall be incorporated and included as part of the maximum assessment to be approved by the property owners within Sub-Area 2A-1. The formula as described in the following, allows for annual adjustments to the maximum assessment rate outline in this Report. The purpose of establishing an Annual Inflationary Adjustment is to provide for reasonable increases to the annual assessments without requiring costly noticing and mailing procedures, which could add to Sub-Area 2A-1's costs and assessments.

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."

For the improvements associated with Sub-Area 2A-1 as well as many other Sub-Areas within the District, it has been determined that an Annual Inflation Adjustment will be applied to the Maximum Assessment Rate limited by the percentage change in the Consumer Price Index reported by the San Francisco/Oakland Urban Wage Earners and Clerical Workers increase.

The maximum assessment that may be levied in a fiscal year is increased annually by the following formula:

$$\left[\begin{array}{l} \textit{(Prior Year's Annual Maximum Assessment x CPI)} \\ \textit{Plus} \\ \textit{Prior Year's Annual Maximum Assessment} \end{array} \right] = \textit{Current Year's New Annual Maximum Assessment}$$

Beginning in the second fiscal year (Fiscal Year 2009-2010), the maximum assessment rate will be subject to the Annual Inflation Adjustment. Although the Annual Inflation Adjustment will increase the maximum assessment rate each year, the actual amount to be assessed shall be based on the annual budget which may result in an annual assessment rate that may be less than the maximum rate.

As part of these Ballot proceedings, property owners will be balloted for an increased maximum assessment rate and the inclusion of the Annual Inflation Adjustment described herein. The notice and ballot presented to each property owners will identify the proposed increased Maximum Assessment Rate and the Annual Inflation Adjustment.

Part III — Proposed Budget (Sub-Area 2A-1)

The following provides the proposed budget and associated increased maximum assessment rate for Sub-Area 2A-1 commencing in fiscal year 2008/2009. This budget includes the City's estimate of anticipated expenditures, deficits, surpluses, revenues, and reserve fund balances associated with providing appropriate and adequate annual maintenance and operation of the improvements associated with Sub-Area 2A-1. The resulting maximum assessment rate established for Sub-Area 2A-1 is based on the budget information presented herein and shall be used to calculate each parcel's proportional assessment obligation in accordance with the method of apportionment outlined in this Report, which shall be presented to the property owners of record as part of a protest ballot proceeding for all new or increased assessments as required by the California Constitution, Article XIID, Section 4.

Based on the following budget information, the maximum assessment rate for Sub-Area 2A-1 will increase from \$101.66 per parcel in fiscal year 2007/2008 to \$350.00 per parcel commencing in fiscal year 2008/2009.

Proposed Budget Sub-Area 2A-1

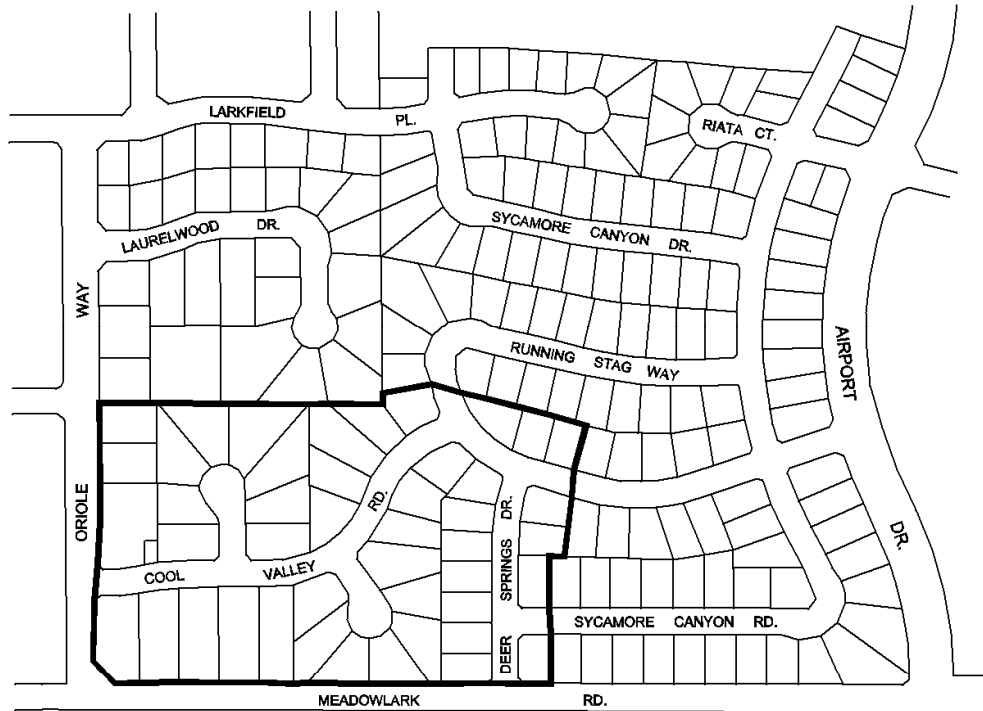
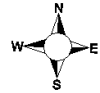
| BUDGET ITEMS (Sub-Area 2A-1 — Tracts 1632-1 and 1632-2) | Proposed Budget SUB AREA 2A-1 Maximum Assessment | Estimated Budget SUB AREA 2A-1 FY 2008-09 Assessment |
|---|--|--|
| DIRECT COSTS | | |
| Street Lighting (Energy, Maintenance & Repair) | \$ 1,667 | \$ 1,667 |
| Total Shared Landscape Improvements | 2,701 | 1,371 |
| Total Sub-Area Specific Landscape Improvements | 6,699 | 6,699 |
| Landscape Water | 1,748 | 1,482 |
| Landscape Electricity | 245 | 207 |
| Landscape Materials & Miscellaneous Repairs | 188 | 161 |
| Direct Costs (Subtotal) | 13,247 | 11,588 |
| ADMINISTRATION COSTS | | |
| District Administration | 1,325 | 1,159 |
| County Administration Fee | 88 | 88 |
| Administration (Subtotal) | 1,413 | 1,247 |
| LEVY ADJUSTMENTS | | |
| Operational Reserves: Collection /(Contribution) | 733 | 642 |
| Contributions from General Fund | - | - |
| Total Levy Adjustments | 733 | 642 |
| Balance to Levy | \$ 15,393 | \$ 13,476 |
| DISTRICT STATISTICS | | |
| Total Parcels | 46 | 46 |
| Total Assessable Parcels | 44 | 44 |
| Total Benefit Units | 44.00 | 44.00 |
| Total Acreage | N/A | N/A |
| Approved Maximum Rate (Current Fiscal Year) | \$101.6600 With Inflator | \$101.6600 With Inflator |
| Calculated Levy per Benefit Unit | \$349.86 | \$306.28 |
| Proposed Maximum Rate per Benefit Unit (To be Balloted) | \$350.00 | \$350.00 |

Part IV —Sub-Area 2A-1 Boundary Diagram

A District Boundary Diagram for the City of Paso Robles Landscape and Lighting Maintenance District No. 1 showing the overall boundaries of the District and each of the Zones and Sub-Areas therein, has been previously prepared and is on file with the City Clerk and the Paso Robles Public Works Department, and by reference this boundary diagram is made part of this Report. In conjunction with the District Boundary Diagram, a boundary map specifically showing the boundaries of Sub-Area 2A-1 is provided on the following page. Specific parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the boundaries of Sub-Area 2A-1 shall be inclusive of the corresponding parcels shown on the San Luis Obispo County Assessor's Parcel Maps as they existed at the time of the passage of the Resolution of Intention, and shall include all subsequent subdivisions, lot line adjustments or parcel changes therein. Reference is hereby made to Part V of this Report for a listing of the parcels within Sub-Area 2A-1 that correspond to the San Luis Obispo County Assessor's maps.

**BOUNDARIES OF
 LANDSCAPE AND LIGHTING DISTRICT NO. 1
 SUB-AREA 2A-1**

CITY OF PASO ROBLES
 COUNTY OF SAN LUIS OBISPO
 STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____ 2008.

CITY CLERK
 CITY OF PASO ROBLES

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE SAN LUIS OBISPO COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE SAN LUIS OBISPO COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAIL CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

LEGEND

———— DISTRICT BOUNDARY

NO. OF PARCELS: 46



Part V —2008/09 Proposed Assessment Roll

Parcel identification, for each lot or parcel within Sub-Area 2A-1 of the District, shall be the parcel as shown on the San Luis Obispo County Assessor Parcel Maps and/or the San Luis Obispo County Secured Tax Roll for the year in which this Report is prepared. The proposed assessment for each parcel has been prepared in accordance with the assessment rates presented in the budget and the method of apportionment described in this Report and has been filed with the City Clerk.

Non-assessable lots or parcels may include government owned land; public utility owned property, land principally encumbered with public right-of-ways or easements and dedicated common areas.

The assessment information for each parcel as outlined in this Report and confirmed by the City Council, shall be incorporated in the annual Engineer's Report for the District and submitted to the County Auditor/Controller along with all other District assessments after the District's annual Public Hearing to be included on the property tax roll for Fiscal Year 2008/2009. If the parcels or assessment numbers for Sub-Area 2A-1 referenced by this Report are re-numbered, re-apportioned or changed by the County Assessor's Office after approval of the this Report, the new parcel or assessment numbers with the appropriate assessment amount will be submitted to the County Auditor/Controller. If the parcel change made by the County includes a parcel split, parcel merger or tax status change, the assessment amount submitted on the new parcels or assessment numbers will be based on the method of apportionment and assessment rates approved in this Report by the City Council.

| APN | Sub-Area | Current Max Assessment | Proposed Max Assessment |
|-------------|----------|------------------------|-------------------------|
| 009-749-001 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-002 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-003 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-004 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-005 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-006 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-007 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-008 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-009 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-010 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-011 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-012 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-013 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-014 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-015 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-016 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-017 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-018 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-019 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-020 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-021 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-022 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-023 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-024 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-025 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-026 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-027 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-028 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-029 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-030 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-031 | 2A-1 | \$0.00 | \$0.00 |
| 009-749-032 | 2A-1 | \$0.00 | \$0.00 |
| 009-749-033 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-034 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-035 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-036 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-037 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-038 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-039 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-040 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-041 | 2A-1 | \$101.66 | \$350.00 |

| APN | Sub-Area | Current Max Assessment | Proposed Max Assessment |
|----------------|----------|------------------------|-------------------------|
| 009-749-042 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-043 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-044 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-045 | 2A-1 | \$101.66 | \$350.00 |
| 009-749-046 | 2A-1 | \$101.66 | \$350.00 |
| Totals: | | \$4,473 | \$15,400 |

CITY OF PASO ROBLES SUPPLEMENTAL ENGINEER'S REPORT

PROPOSED ASSESSMENT INCREASE SUB-AREA 112 OF THE CITY OF PASO ROBLES LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT No. 1 COMMENCING FISCAL YEAR 2008/2009



INTENT MEETING: MARCH 18, 2008
PUBLIC HEARING: MAY 6, 2008



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Affidavit for the Engineer's Report

CITY OF PASO ROBLES
LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT NO. 1
Proposed Assessment Increase for Sub-Area 112
Commencing fiscal year 2008/2009

This Report describes the proposed changes and modifications to the budget, improvements and assessments to be levied for properties within Sub-Area 112 of the City of Paso Robles Landscape and Lighting Maintenance District No. 1 commencing in fiscal year 2008/2009, pursuant to a resolution of the City Council. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of parcels within Sub-Area 112 of the City of Paso Robles Landscape and Lighting Maintenance District No. 1. The undersigned respectfully submits the enclosed Report as directed by the City Council and 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.

Dated this _____ day of _____, 2008.

MuniFinancial
Assessment Engineer
On Behalf of the City of Paso Robles

By: _____

Jim McGuire
Senior Project Manager

By: _____

Richard Kopecky
R. C. E. # 16742

Introduction

Pursuant to the provisions of the *Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500* (hereafter referred to as the "1972 Act"), and in compliance with the provisions of the *California State Constitution Articles XIII C and XIII D* (hereafter referred to as the "Constitution" or "California Constitution"), this Engineer's Report (hereafter referred to as "Report") has been prepared as required pursuant to Chapter 3, Section 22622 of the 1972 Act, in connection with the proceedings required for any proposed new improvements or substantial changes in existing improvements and the resulting annual levy of assessments within the district designated as:

City of Paso Robles Landscape and Lighting Maintenance District No. 1

(hereafter referred to as "District").

The maintenance, operation and servicing of the improvements associated with specific areas of the District that provide a special benefit to the properties within those areas are grouped into benefit zones that are identified in this District as Zones and Sub-Areas. These Zones and Sub-Areas identify the properties within various regions of the District that receive special benefits from specific improvements that have been installed in connection with the development of those properties or are directly associated with those properties. Although many of the Sub-Areas have been grouped into specific zones, approximately half of the Sub-Areas are considered stand-alone Sub-Areas and are not part of a Zone. This Report has been prepared and presented to the City Council of the City of Paso Robles (hereafter referred to as "City"), County of San Luis Obispo, State of California, for their consideration and approval of the proposed maintenance and servicing of improvements to be provided specifically within the existing benefit area designated as Sub-Area 112 of the City of Paso Robles Landscape and Lighting Maintenance District No. 1 (hereafter referred to simply as "Sub-Area 112") and the levy and collection of annual assessments related thereto commencing in fiscal year 2008/2009. Sub-Area 112 is a stand-alone Sub-Area and is therefore not part of a Zone.

This Report has been prepared specifically to address the improvements and proposed changes in the level of service to be provided by the City for Sub-Area 112. The annual costs of the improvements and the resulting proposed maximum assessment rate described herein, includes the estimated expenditures, deficits, surpluses, revenues, and reserve fund balances that the City has estimated as necessary to properly maintain and service the improvements associated with Sub-Area 112 that facilitates a proposed assessment increase commencing with fiscal year 2008/2009. Each parcel shall be assessed proportionately for the net cost budgeted to provide the improvements that have been determined to provide special benefits to those properties within Sub-Area 2A-1, utilizing the method of apportionment previously established and approved for the District. However, the affected property owners of record must approve the proposed assessment increase before such an assessment may be imposed pursuant to the provisions of the California Constitution, Article XIII D Section 4 and the proposed changes in service shall only be implemented if the proposed assessment increase is approved. Therefore the City proposes to conduct a property owner protest ballot

proceedings for a proposed increase in the Maximum Assessment Rate previously adopted and authorized for Sub-Area 112.

In conjunction with the ballot proceedings for the proposed increased assessment rate described in this Report the City Council will conduct a noticed public hearing to consider public testimonies, comments and written protests regarding Sub-Area 112 of the District and the proposed levy of assessments related thereto. Upon conclusion of the public hearing, property owner protest ballots received will be opened and tabulated to determine whether majority protest exists (ballots shall be weighted based on each parcel's calculated proportional assessment amount), and by resolution, the City Council will confirm the results of the ballot tabulation. If majority protest exists, the proposed increased assessment shall be abandoned and the previously approved maximum assessment rate and shall continue to be in affect for fiscal year 2008/2009. If tabulation of the ballots indicates that majority protest does not exist (property owners support the proposed assessment increase) the City Council may approve the proposed assessment and adopt the new maximum assessment rate for Sub-Area 112 as presented in this Report. The assessments as approved, including the assessment range formula, shall be incorporated into the next annual Engineer's Report for the City of Paso Robles Landscape and Lighting Maintenance District No. 1 and in conjunction with the annual assessments for the other District Zones and Sub-Areas, the City Council will confirm the 2008/2009 annual assessments for Sub-Area 112.

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

This Report consists of five (5) parts:

Part I

Plans and Specifications: A general description of the improvements and authorized services for which parcels within Sub-Area 112 of the District may be assessed. Sub-Area 112's proposed assessments as outlined in this Report are based on the improvements and proposed maintenance and servicing of those improvements that provide a special benefit to the properties within Sub-Area 112 of the District.

Part II

The Method of Apportionment: A discussion of benefits the improvements provide to properties within Sub-Area 112 and the method of calculating each property's proportional special benefit and annual assessment. The method of apportionment described herein is consistent with and unchanged from the method of apportionment previously approved and adopted for the City of Paso Robles Landscape and Lighting Maintenance District No. 1 in fiscal year 2007-2008 as described in the annual Engineer's report for the District, which is on file with the City Clerk and by reference is made part of this Report. The existing Assessment Range Formula previously adopted for Sub-Area 112, incorporates an inflationary adjustment to the maximum assessment rates for subsequent fiscal years (as described herein), and shall continue to be applied to the maximum assessment rate established for Sub-Area 112 whether or not the proposed assessment increase is adopted.

Part III

The Proposed Budgets: Provides an estimate of the annual costs to provide an adequate level of maintenance and servicing of the improvements for Sub-Area 112 of the District. The budget information presented in this Report includes an estimate of anticipated direct maintenance costs and incidental expenses associated with Sub-Area 112's improvements, including but not limited to administration expenses, and maintenance and operating costs associated with street lighting, parkway landscaping, detention basin landscaping, and open space landscaping. The budget for the proposed assessment increase (establishment of a new maximum assessment) is based on the desire and request of property owners within Sub-Area 112 to have the City enhance and expand the level of maintenance and servicing of the existing improvements associated with Sub-Area 112. The actual assessment for fiscal year 2008/2009, and each subsequent year thereafter shall be determined and set forth in the annual Engineer's Report for the District based on the estimated net annual cost of operating, maintaining and servicing the improvements for that fiscal year as well as funds to be collected in installments to perform maintenance activities that cannot be reasonably collected in a single fiscal year's assessments. The proposed new maximum assessment rate for Sub-Area 112, identified in the budget section of this Report, represents an increase to the existing maximum assessment rate established and approved in fiscal Year 2007/2008.

Part IV

Boundary Diagram: A diagram showing the overall boundaries of the District and each of the Zones and Sub-Areas therein is on file with the City Clerk and the Paso Robles Public Works Department, and by reference is made part of this Report. In conjunction with the District boundary diagram, a boundary map specifically showing the boundaries for Sub-Area 112 is provided in this Report. Specific parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the boundaries of Sub-Area 112 shall be inclusive of the corresponding parcels shown on the San Luis Obispo County Assessor's Parcel Maps as they existed at the time this Report was prepared, and shall include all subsequent subdivisions, lot line adjustments or parcel changes therein. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within Sub-Area 112.

Part V

Proposed Assessments: A listing of the calculated maximum assessment amount associated with each parcel within Sub-Area 112 of the District. The calculated maximum assessment amount described herein constitutes an increase to the previously adopted maximum assessment and this new assessment will be presented to the property owners of record in a ballot proceeding as required pursuant to the provisions of the California Constitution. Said new or increased assessment represents each parcel's calculated proportional amount of the improvement costs proposed commencing in fiscal year 2008/2009 based on the estimated net annual cost to maintain and service the improvements as outlined in the budget(s) and method of apportionment contained in this Report.

Part I — Plans and Specifications

Description of the District

In general, the District provides for the continued maintenance, servicing, and operation of various landscaping and lighting improvements and appurtenant facilities located within the public rights-of-way and dedicated easements associated with specific developments and/or tracts within the City through the levy of annual assessments. As properties within the City are approved for development (new commercial developments or residential tracts) they have historically been annexed to the District as a new Sub-Area with a maximum assessment established and approved by the property owners to support the estimated annual cost to provide the improvements associated with that Sub-Area. Each property is assessed proportionately for only the improvements and associated expenses determined to be of special benefit to that property and these improvements are generally identified as public street lighting and landscape improvements and all incidental expenses related thereto including, but not limited to administrative expenses, labor, materials, equipment and services associated with the maintenance of street lighting, trees, turf, shrubs and other planting materials, irrigation systems, drainage systems, detention basins, open space areas, public pedestrian paths, and entry monuments.

This District was formed to fund the ongoing maintenance and operation of landscaping and lighting improvements associated with new developments in the City, and the City has continued to annex various commercial and residential developments to the District as Sub-Areas to support the improvements associated with those developments pursuant to the provisions of the 1972 Act and the California Constitution, Article XIII D. In fiscal year 2007/2008, the District was comprised of one hundred twenty-one (121) designated Sub-Areas. These designated Sub-Areas were identified as Sub-Areas 1 through 112 excluding:

- ❖ Sub-Area designations 17, 24, 26, 65 and 84, which were originally established for specific planned developments, but the development and annexation/formation were not completed;
- ❖ Sub-Area 80, which was originally established in fiscal year 2004/2005, but the developments for this Sub-Area were subsequently re-designated as Sub-Areas 36C, 36D, 36E and 36F; and,
- ❖ Sub-Areas 103, 104, 105, 107, 108, 109, and 111, which have been reserved for future developments that are in various stages of planning and or development, but have not yet been accepted for maintenance.

In addition to the various Sub-Area designations for the District, there are currently thirteen (13) designated Zones (geographical areas) of the District that comprise one or more of the District's Sub-Areas. While these Zones were established based on similarities in the type and/or location of the improvements that provide special benefits to properties within each of the Sub-Areas (similar improvements and/or services), or they proportionately share in the special benefits provided by one or more of the specific improvements provided within that Zone (shared improvements); some Zone designations currently identify groups of Sub-Areas within the District based solely on their geographical proximity to one another and the budgets and assessments for each Sub-Area are established independent of the other Sub-Areas within the Zone. Many Sub-Areas, including Sub-Area 112, are considered stand-alone Sub-Areas and are not part of a Zone.

Description of Sub-Area 112

Properties in Sub-Area 112:

The parcels within Sub-Area 112 are located on Cool Valley Road east of Beechwood Drive and west of Oriole Way. This area is generally north of Meadowlark Road and South of Ashwood Place. The properties within Sub-Area 112 include:

- Twenty (20) parcels identified as Single-Family Residential properties;
- Three parcels constituting open space; and
- Three parcels of parkway landscaping improvements.

The residential properties within Sub-Area 112 include the subdivisions commonly referred to as Tract 2609.

Sub-Area 112 Improvements

The following is a list of improvements that provide special benefits only to Sub-Area 112. The cost of providing these improvements are budgeted and proportionately assessed to only the parcels within Sub-Area 112 that receives special benefits from that improvement.

- Local street lighting improvements;
- Irrigated internal parkways on Cool Valley Road;
- Irrigated perimeter parkway (Shrubs) on Meadowlark Road and Oriole Way;
- Irrigated open space detention areas within Sub-Area 112.

Part II — Method of Apportionment

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 formula used for calculating assessments in Sub-Area 112 of the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on the special benefits to each parcel.

Benefit Analysis

Each of the proposed improvements, the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the Constitution and 1972 Act. The improvements associated with Sub-Area 112 of the District have been identified as necessary, required and/or directly associated with the development of the properties within Sub-Area 112, consistent with the proposed 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 of direct and special benefit to the properties.

The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives special benefit from various improvements provided by the District. The desirability and security of properties is enhanced by the presence of local improvements in close proximity to those properties.

The special benefits associated with landscaped improvements are specifically:

- ◆ Enhanced desirability of properties through association with the improvements.
- ◆ Improved aesthetic appeal of properties providing a positive representation of the area.
- ◆ Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- ◆ Environmental enhancement through improved erosion resistance, dust and debris control.
- ◆ Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.

- ◆ Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti.
- ◆ Enhanced environmental quality of the parcels by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits associated with street lighting are specifically:

- ◆ Enhanced deterrence of crime and the aid to police protection.
- ◆ Increased nighttime safety on roads and streets.
- ◆ Improved ability of pedestrians and motorists to see.
- ◆ Improved ingress and egress to property.
- ◆ Reduced vandalism and other criminal act and damage to improvements or property.
- ◆ Improved traffic circulation and reduced nighttime accidents and personal property loss.

Based on the preceding special benefits, it has been determined that the improvements provided by the District and for which parcels within Sub-Area 112 are assessed, contribute to the safety, security, aesthetic value and desirability of those properties. It has further been determined that these improvements, either individually or collectively are provided for the special benefit and enhancement of properties within the District and provide no measurable general benefit to properties outside the District or to the public at large.

Assessment Methodology

The benefit formula used within Sub-Area 112 of the District reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on the special benefits to each assessable parcel. It has been previously determined that dedicated public easements, open space areas, public rights-of-ways, public greenbelts and parkways, utility rights-of-way, common areas, sliver parcels and bifurcated lots or any other property that cannot be developed, park properties and other publicly owned properties that are part of the District improvements or that have little or no improvement value, receive no special benefit from District improvements and are not assessed.

Per Parcel Benefit Calculation:

The developments within Sub-Area 112 are comprised entirely of single-family residential properties. For these developments it was determined that the most appropriate apportionment of maintenance costs and special benefit was an equal per parcel distribution. This method of apportionment is used to proportionately allocate the net annual cost of the improvements (special benefit) to each parcel. The total amount to be levied in Sub-Area 112 is shared and assessed equally to each benefiting parcel. The following formula is used to arrive at the levy amount for each parcel within Sub-Area 112.

$$\frac{\textit{Total Balance to Levy for Improvements}}{\textit{Total Assessable Parcels}} = \textit{Parcel Levy Amount}$$

Assessment Range Formula (Annual Inflationary Adjustment)

It is recognized that most costs associated with the maintenance and operation of public improvements will ultimately be impacted by inflation in subsequent years. In an effort to minimize this impact, a formula for an inflation adjustment has already been approved for Sub-Area 112, and this same Annual Inflation Adjustment shall be incorporated and included as part of the maximum assessment to be approved by the property owners within Sub-Area 112. The formula as described in the following, allows for annual adjustments to the maximum assessment rate outline in this Report. The purpose of establishing an Annual Inflationary Adjustment is to provide for reasonable increases to the annual assessments without requiring costly noticing and mailing procedures, which could add to Sub-Area 112's costs and assessments.

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."

For the improvements associated with Sub-Area 112 as well as many other Sub-Areas in the District, it has been determined that an Annual Inflation Adjustment will be applied to the Maximum Assessment Rate limited by the percentage change in the Consumer Price Index reported by the San Francisco/Oakland Urban Wage Earners and Clerical Workers increase.

The maximum assessment that may be levied in a fiscal year is increased annually by the following formula

$$\left[\begin{array}{l} \textit{(Prior Year's Annual Maximum Assessment x CPI)} \\ \textit{Plus} \\ \textit{Prior Year's Annual Maximum Assessment} \end{array} \right] = \textit{Current Year's New Annual Maximum Assessment}$$

Although the Annual Inflation Adjustment will increase the maximum assessment rate each year, the actual amount to be assessed shall be based on the annual budget which may result in an assessment rate that may be less than the maximum rate.

As part of these Ballot proceedings, property owners will be balloted for an increased maximum assessment rate and the inclusion of the Annual Inflation Adjustment described herein. The notice and ballot presented to each property owners will identify the proposed increased Maximum Assessment Rate and the Annual Inflation Adjustment.

Part III — Proposed Budget (Sub-Area 112)

The following provides the proposed budget and associated increased maximum assessment rate for Sub-Area 112 commencing in fiscal year 2008/2009. This budget includes the City's estimate of anticipated expenditures, deficits, surpluses, revenues, and reserve fund balances associated with providing appropriate and adequate annual maintenance and operation of the improvements associated with Sub-Area 112. The resulting maximum assessment rate established for Sub-Area 112 is based on the budget information presented herein and shall be used to calculate each parcel's proportional assessment obligation in accordance with the method of apportionment outlined in this Report, which shall be presented to the property owners of record as part of a protest ballot proceeding for all new or increased assessments as required by the California Constitution, Article XIID, Section 4.

Based on the following budget information, the maximum assessment rate for Sub-Area 112 will increase from \$450.00 per parcel in fiscal year 2007/2008 to \$1,830.00 per parcel commencing in fiscal year 2008/2009.

Proposed Budget Sub-Area 112

| BUDGET ITEMS (Sub-Area 112 — Tract 2609) | Proposed Budget SUB AREA 112 Maximum Assessment | Estimated Budget SUB AREA 112 FY 2008-09 Assessment |
|--|---|---|
| DIRECT COSTS | | |
| Street Lighting (Energy, Maintenance & Repair) | \$ 1,697 | \$ 1,697 |
| Total Shared Landscape Improvements | - | - |
| Total Sub-Area Specific Landscape Improvements | 24,000 | 24,000 |
| Landscape Water | 4,800 | 4,800 |
| Landscape Electricity | 672 | 672 |
| Landscape Materials & Miscellaneous Repairs | 480 | 480 |
| Direct Costs (Subtotal) | 31,649 | 31,649 |
| ADMINISTRATION COSTS | | |
| District Administration | 3,165 | 3,165 |
| County Administration Fee | 40 | 40 |
| Total Administration Expenses | 3,205 | 3,205 |
| LEVY ADJUSTMENTS | | |
| Operational Reserves: Collection /(Contribution) | 1,743 | 1,743 |
| Contributions from General Fund | - | - |
| Total Levy Adjustments | 1,743 | 1,743 |
| Balance to Levy | \$ 36,597 | \$ 36,597 |
| DISTRICT STATISTICS | | |
| Total Parcels | 25 | 25 |
| Total Assessable Parcels | 20 | 20 |
| Total Benefit Units | 20.00 | 20.00 |
| Total Acreage | N/A | N/A |
| Approved Maximum Rate (Current Fiscal Year) | \$465.7500 | \$465.7500 |
| | With Inflation | With Inflation |
| Proposed Levy per Benefit Unit | \$1,829.86 | \$1,829.86 |
| Proposed Maximum Rate per Benefit Unit | \$1,830.00 | \$1,830.00 |

Part IV —Sub-Area 112 Boundary Diagram

A District Boundary Diagram for the City of Paso Robles Landscape and Lighting Maintenance District No. 1 showing the overall boundaries of the District and each of the Zones and Sub-Areas therein, has been previously prepared and is on file with the City Clerk and the Paso Robles Public Works Department, and by reference this boundary diagram is made part of this Report. In conjunction with the District Boundary Diagram, a boundary map specifically showing the boundaries of Sub-Area 112 is provided on the following page. Specific parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the boundaries of Sub-Area 112 shall be inclusive of the corresponding parcels shown on the San Luis Obispo County Assessor's Parcel Maps as they existed at the time of the passage of the Resolution of Intention, and shall include all subsequent subdivisions, lot line adjustments or parcel changes therein. Reference is hereby made to Part V of this Report for a listing of the parcels within Sub-Area 112 that correspond to the San Luis Obispo County Assessor's maps.

SHEET 1 OF 1

BOUNDARIES OF
 LANDSCAPE AND LIGHTING DISTRICT NO. 1
 SUB-AREA 112

CITY OF PASO ROBLES
 COUNTY OF SAN LUIS OBISPO
 STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF
 2008.

CITY CLERK
 CITY OF PASO ROBLES

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN
 ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS
 SHOWN ON THE SAN LUIS OBISPO COUNTY ASSESSOR'S MAPS FOR
 THOSE PARCELS LISTED.

THE SAN LUIS OBISPO COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL
 DETAIL CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS
 OR PARCELS.



LEGEND

— DISTRICT BOUNDARY

NO. OF PARCELS: 26

Part V —2008/09 Proposed Assessment Roll

Parcel identification, for each lot or parcel within Sub-Area 112 of the District, shall be the parcel as shown on the San Luis Obispo County Assessor Parcel Maps and/or the San Luis Obispo County Secured Tax Roll for the year in which this Report is prepared. The proposed assessment for each parcel has been prepared in accordance with the assessment rates presented in the budget and the method of apportionment described in this Report and has been filed with the City Clerk.

Non-assessable lots or parcels may include government owned land; public utility owned property, land principally encumbered with public right-of-ways or easements and dedicated common areas.

The assessment information for each parcel as outlined in this Report and confirmed by the City Council, shall be incorporated in the annual Engineer's Report for the District and submitted to the County Auditor/Controller along with all other District assessments after the District's annual Public Hearing to be included on the property tax roll for Fiscal Year 2008/2009. If the parcels or assessment numbers for Sub-Area 112 referenced by this Report are re-numbered, re-apportioned or changed by the County Assessor's Office after approval of the this Report, the new parcel or assessment numbers with the appropriate assessment amount will be submitted to the County Auditor/Controller. If the parcel change made by the County includes a parcel split, parcel merger or tax status change, the assessment amount submitted on the new parcels or assessment numbers will be based on the method of apportionment and assessment rates approved in this Report by the City Council.

| APN | Sub-Area | Current Max Assessment | Proposed Max Assessment |
|----------------|----------|------------------------|-------------------------|
| 009-750-048 | 112 | \$0.00 | \$0.00 |
| 009-750-049 | 112 | \$450.00 | \$1,830.00 |
| 009-750-050 | 112 | \$450.00 | \$1,830.00 |
| 009-750-051 | 112 | \$450.00 | \$1,830.00 |
| 009-750-052 | 112 | \$450.00 | \$1,830.00 |
| 009-750-053 | 112 | \$450.00 | \$1,830.00 |
| 009-750-054 | 112 | \$0.00 | \$0.00 |
| 009-750-055 | 112 | \$450.00 | \$1,830.00 |
| 009-750-056 | 112 | \$450.00 | \$1,830.00 |
| 009-750-057 | 112 | \$450.00 | \$1,830.00 |
| 009-750-058 | 112 | \$0.00 | \$0.00 |
| 009-750-059 | 112 | \$0.00 | \$0.00 |
| 009-750-060 | 112 | \$450.00 | \$1,830.00 |
| 009-750-061 | 112 | \$450.00 | \$1,830.00 |
| 009-750-062 | 112 | \$450.00 | \$1,830.00 |
| 009-750-063 | 112 | \$450.00 | \$1,830.00 |
| 009-750-064 | 112 | \$450.00 | \$1,830.00 |
| 009-750-065 | 112 | \$450.00 | \$1,830.00 |
| 009-750-066 | 112 | \$450.00 | \$1,830.00 |
| 009-750-067 | 112 | \$450.00 | \$1,830.00 |
| 009-750-068 | 112 | \$450.00 | \$1,830.00 |
| 009-750-069 | 112 | \$0.00 | \$0.00 |
| 009-750-070 | 112 | \$450.00 | \$1,830.00 |
| 009-750-071 | 112 | \$450.00 | \$1,830.00 |
| 009-750-072 | 112 | \$450.00 | \$1,830.00 |
| 009-750-073 | 112 | \$0.00 | \$0.00 |
| Totals: | | \$9,000 | \$36,600 |

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES, INITIATING PROCEEDINGS FOR THE FORMATION OF DRAINAGE MAINTENANCE DISTRICT NO. 2008-1; AND THE LEVY AND COLLECTION OF ASSESSMENTS RELATED THERETO COMMENCING WITH FISCAL YEAR 2008/2009

WHEREAS, the City Council pursuant to the provisions of the Benefit Assessment Act of 1982, Chapter 6.4, Division 2, Title 5 of the Government Code of the State of California commencing with Section 54703 (hereafter referred to as the "Act") desires to initiate proceedings for the formation of "Drainage Maintenance District No. 2008-1" (hereafter referred to as the "District"); and to levy and collect annual assessments to pay for the operation, maintenance and servicing of drainage improvements and appurtenant facilities related thereto; and,

WHEREAS, the City has retained MuniFinancial as the Engineer of Work, for the purpose of assisting with the formation of the District, the establishment of annual assessments, and to prepare and file an Engineer's Report with the City Clerk in accordance with Section 54716 of the Act and the provisions of the California Constitution Article XIID (hereafter referred to as the "Constitution").

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASO ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

- Section 1. Recitals: The above recitals are true and correct.
- Section 2. Engineer's Report: The City Council hereby orders MuniFinancial to prepare the Engineer's Report concerning the formation of the District and the levy of special benefit assessments for properties therein.
- Section 3. Improvements: The purpose of this District is to fund the activities necessary to fund the ongoing maintenance and servicing of the drainage improvements (creek area) within and adjacent to the District that is for the benefit of properties within the District and required for the development of such properties to their full and best use. The maintenance and operation of these improvements may include but are not limited to all materials, equipment, labor, and incidental expenses deemed necessary to keep these improvements in satisfactory condition as well as the collection of assessment installments for the periodic service activities, repair or refurbishments of the improvements. 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 of the City of Paso Robles and by reference these plans and specifications are made part of this Resolution.

Section 4. Territory: The territory of land within the proposed District includes all lots and parcels of land within the planned residential development known as PR03-0338 — Ashwood Place within the City of Paso Robles, the County of San Luis Obispo, State of California and is generally located on Ashwood Place, North of Meadowlark Road; East of Beechwood Drive; and West of Oriole Way. The territory of land within the proposed District currently includes one (1) parcel identified as San Luis Obispo County Assessor's Parcel Number 009-750-007 and shall include all subsequent subdivisions, lot line adjustments or parcel changes therein.

PASSED AND ADOPTED

Frank Mecham, Mayor
City of Paso Robles, California

ATTEST:

Cathy David, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO ADMINISTRATION:

James L. App, City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES, DECLARING ITS INTENTION TO FORM THE PASO ROBLES, DRAINAGE MAINTENANCE DISTRICT NO. 2008-1; AND DECLARING ITS INTENTION TO CONDUCT A PROPERTY OWNER BALLOTING ON THE MATTER OF NEW ASSESSMENTS RELATED THERETO COMMENCING WITH FISCAL YEAR 2008/2009

WHEREAS, the City Council pursuant to the provisions of the Benefit Assessment Act of 1982, Chapter 6.4, Division 2, Title 5 of the Government Code of the State of California commencing with Section 54703 (hereafter referred to as the "Act"), did by previous Resolution, initiated proceedings for the formation of the "Paso Robles Drainage Maintenance District No. 2008-1(hereafter referred to the "District"); and to levy and collect annual assessments to pay for the maintenance and operation of drainage improvements and appurtenant services related thereto; and,

WHEREAS, the City Council desires to form the District; and to levy and collect annual assessments against lots and parcels of land within the District to pay the cost and expenses related to the improvements provided for the District and authorized by the Act and the provisions of the California Constitution Article XIID (hereinafter referred to as the "Constitution"); and,

WHEREAS, pursuant to said Resolution, the Assessment Engineer of Work has prepared and filed with the City Clerk an Engineer's Report (hereafter referred to as the "Report") in connection with such proceedings for the proposed levy of assessments commencing with Fiscal Year 2008/2009 (July 1, 2008 and ending June 30, 2009) in accordance with Section 54716 of the Act and the Constitution; and said Report has been presented to the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASO ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

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

Section 2. Report: The Report as presented consists of the following:

2a) A Description of the District and Improvements (Plans and Specifications).

2b) The Method of Apportionment that details the method of calculating the proportional special benefits and the annual assessment obligation for each affected parcel including a

description of an "Assessment Range Formula" applicable to subsequent assessments.

2c) The estimated annual costs and expenses to provide the improvements (Budget) that establishes the proposed "Maximum Assessment Rate" and first year's assessments for the District.

2d) An Assessment Diagram (Boundary Map).

2e) An Assessment Roll containing the assessment to be levied for each Assessor Parcel Number within the District commencing in fiscal year 2008/2009 based on the maximum assessment rate and method of apportionment.

Section 3. Report, Adoption: The Report presented is hereby approved on a preliminary basis as submitted or amended by direction of this City Council, and is hereby ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

Section 4. Intention: The City Council hereby declares its intention to form the District and proposes to levy and collect annual assessments against parcels of land within the District necessary to fund the ongoing cost and expenses to maintain and service the drainage improvements associated with the development of properties with the district to be designated as "Drainage Maintenance District No. 2008-1"; and to levy and collect such assessments against parcels of land within said District commencing with fiscal year 2008/2009.

The City Council further declares its intention to conducted public hearing regarding the District and the proposed levy of new assessments; and calls for a property owner protest balloting proceeding related thereto in accordance with the provisions of the California Constitution Article XIID. The City Council finds that the public's best interest requires such action and levy of assessments.

Section 5. Territory: The territory of land within the proposed District includes all lots and parcels of land within the planned residential development known as PR03-0338 — Ashwood Place within the City of Paso Robles, the County of San Luis Obispo, State of California and is generally located on Ashwood Place, North of Meadowlark Road; East of Beechwood Drive; and West of Oriole Way. The territory of land within the proposed District currently includes one (1) parcel identified as San Luis Obispo County Assessor's Parcel Number 009-750-007 and shall include all subsequent subdivisions, lot line adjustments or parcel changes

therein.

Section 6. Improvements: The purpose of this District is to fund the activities necessary to fund the ongoing maintenance and servicing of the drainage improvements (creek area) within and adjacent to the District that is for the benefit of properties within the District and required for the development of such properties to their full and best use. The maintenance and operation of these improvements may include but are not limited to all materials, equipment, labor, and incidental expenses deemed necessary to keep these improvements in satisfactory condition as well as the collection of assessment installments for the periodic service activities, repair or refurbishments of the improvements. 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 of the City of Paso Robles and by reference these plans and specifications are made part of this Resolution.

Section 7. Assessments: The City Council hereby determines that in order to provide an appropriate level of maintenance and related services and activities for the improvements associated with the District as generally described in section 6 of this resolution, it is necessary to levy annual assessments against lots and parcels within the District commencing in fiscal year 2008/2009. The Engineer's Report referred to in Section 2 of this resolution establishes the estimated budget of anticipated expenses and the resulting maximum assessments including an annual inflationary adjustment, and such assessments have been deemed necessary to ensure the proper maintenance and servicing of the improvements including all operational and incidental expenses related to such improvements and services.

Section 8. Compliance with the Constitution: Pursuant to California Constitution, Article XIID, an assessment ballot proceeding is hereby called on the matter of confirming the proposed assessments for the District. The ballots and notices so authorized shall be distributed by first class mail to the property owners of record as of the last County equalized roll, and property owner or owners of each affected parcel may return the ballot by mail or in person to the City Clerk not later than the conclusion of the public hearing for this matter.

Section 9. Public Hearing: The City Council hereby declares its intention to conduct a public hearing concerning the levy of assessments for the proposed District in accordance with Government Code, Section 54954.6 and California Constitution, Article XIID, Section 4(e);

Notice is hereby given that a public hearing on these matters will be held by the City Council on Tuesday, May 6, 2008 at 7:30 P.M., or as soon thereafter as feasible in the City Council Chambers, located at 1000 Spring Street, Paso Robles, at the time so fixed. At the Public Hearing, all interested persons shall be afforded the opportunity to hear and be heard.

Section 10. Notice and Ballot: The City Council hereby authorizes and directs the City Clerk or their designee to prepare and mail notice of the Public Hearing and property owner protest ballots to the property owners of record regarding the proposed assessments including the assessment range formula as outlined in the Engineer's Report, for return receipt prior to the date and time of the public hearing set forth in this resolution.

A notice of the hearing and ballot shall be distributed by first class mail to the property owner of record for each parcel within the District subject to an assessment not less than 45 days before the date of the public hearing pursuant to California Constitution, Article XIID.

Section 11. Protest Proceedings: The property owner protest ballot proceeding conducted for the District shall constitute the property owners' approval or rejection of the annual levy of assessments and assessment range formula. Each property owner may return the ballot by mail or in person to the City Clerk no later than the conclusion of the public hearing scheduled for Tuesday, May 6, 2008. After the close of the Public Hearing, pursuant to Section 4 (e) of the California Constitution, the City Clerk or their designee shall open and tabulate the ballots returned to determine if majority protest exists. Only those ballots issued by or on behalf of the City shall be considered as valid ballots and shall be weighted according to the proportional financial obligation of each affected property. Majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment.

In addition to the ballot proceedings property owners may also file a written protest with the City Clerk prior to the conclusion of the hearing, or having previously filed such written protest, may file a

written withdrawal of that protest. A written protest shall state all grounds of objection and such protest by a property owner within the District shall contain a description sufficient to identify the property owned by such property owner. At the public hearing, all interested persons shall be afforded the opportunity to hear and be heard.

Section 12. Notice: The City Clerk is hereby authorized and directed to give notice of such Public Hearing as provided by law

PASSED AND ADOPTED

Frank Mecham, Mayor
City of Paso Robles, California

ATTEST:

Cathy David, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO ADMINISTRATION:

James L. App, City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES, INITIATING PROCEEDINGS FOR A PROPOSED ASSESSMENT INCREASE FOR PROPERTIES WITHIN SUB-AREA 2A-1 OF THE CITY OF PASO ROBLES LANDSCAPE AND LIGHTING DISTRICT NO. 1 COMMENCING IN FISCAL YEAR 2008/2009

WHEREAS, the City Council through previous resolutions has established and levied annual assessments for the City of Paso Robles Landscape and Lighting District No. 1 (hereinafter referred to as the "District"), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500) (hereinafter referred to as the "Act") that provides for the collection of assessments by the County of San Luis Obispo on behalf of the City of Paso Robles to pay the maintenance and services of improvements and facilities related thereto, and

WHEREAS, the City Council desires to initiate proceedings for a proposed assessment increase associated with the improvements and proposed change in services to be provided within Sub-Area 2A-1 of the District (hereinafter referred to as "Sub-Area 2A-1"), pursuant to Chapter 3 of the Act; and the establishment of a new maximum assessment rate related thereto; and the levy and collection of annual assessments against lots and parcels of land within Sub-Area 2A-1 commencing in fiscal year 2008/2009 for the landscape improvements and services that will provide special benefits to those properties pursuant to Chapter 4 Article 2 of the Act and the California Constitution Article XIID, and

WHEREAS, the City Council has retained MuniFinacial as the Assessment Engineer of Work, for the purpose of assisting with the proceedings to the establishment the proposed new maximum assessments for Sub-Area 2A-1, and to prepare and file an Engineer's Report with the City Clerk in accordance with the Act.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASO ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

- Section 1. Recitals: The above recitals are true and correct.
- Section 2. Engineer's Report: The City Council hereby orders the Assessment Engineer to prepare and file with the City Clerk an Engineer's

Report concerning the proposed assessment increase for Sub-Area 2A-1 of the District; the improvements and services connected therewith and the proposed levy of assessments commencing in the fiscal year commencing July 1, 2008 and ending June 30, 2009, in accordance with Chapter 3 Section 22623 of the Act. Said Engineer's Report shall contain a description of the improvements and services, an estimate of the costs financed by the levy of the assessments, the properties benefiting from the improvements and the method of apportioning the assessments connected therewith.

Section 3. Improvements: The proposed improvements and services to be provided and for which properties shall be assessed, include but are not limited to the regular maintenance, operation and incidental expenses related to the landscaped areas and facilities within the public right-of-ways or easements associated with the development of properties within Sub-Area 2A-1, that may include, but are not limited to: parkways, slopes, open space, detention basins, drainage improvements, and street lighting improvements. The Engineer's Report to be prepared in connection with these proceedings for a proposed assessment increase in Sub-Area 2A-1 shall provide a more detailed description of the improvements and associated costs.

Section 4. Assessments: The City Council hereby determines that in order to provide an appropriate level of maintenance and related services and activities for the improvements within Sub-Area 2A-1 as generally described in section 3 of this resolution, it is necessary to increase the annual assessments to be levied against lots and parcels within Sub-Area 2A-1 commencing in fiscal year 2008/2009. The Engineer's Report referred to in Section 2 of this resolution shall establish the estimated budget of anticipated expenses and the resulting new maximum assessments for Sub-Area 2A-1 including the annual inflationary adjustment, that will be necessary to provide ongoing funding for a higher level of maintenance and servicing of Sub-Area 2A-1's improvements being proposed; and the proposed assessment increase may only be imposed pursuant to the provisions of the Act and the California Constitution, Article XIID.

PASSED AND ADOPTED

Frank Mecham, Mayor
City of Paso Robles, California

ATTEST:

Cathy David, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO ADMINISTRATION:

James L. App, City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES, DECLARING ITS INTENTION TO INCREASE TO THE ANNUAL ASSESSMENTS FOR PROPERTIES WITHIN SUB-AREA 2A-1 OF THE CITY OF PASO ROBLES LANDSCAPE AND LIGHTING DISTRICT NO. 1 COMMENCING FISCAL YEAR 2008/2009; AND CALLING FOR A PROPERTY OWNER PROTEST BALLOT PROCEEDING ON THE MATTER OF THE PROPOSED ASSESSMENT INCREASE INCLUDING AN ASSESSMENT RANGE FORMULA

WHEREAS, the City Council, pursuant to provisions of the Landscaping and Lighting Act of 1972 (commencing with Section 22500) Part 2, Division 15 of the California Streets and Highways Code (hereinafter referred to as the "Act"), did by previous Resolution, initiate proceedings for a proposed assessment increase for Sub-Area 2A-1 of the City of Paso Robles Landscape and Lighting District No. 1 (hereafter referred to the "District") to be levied and collected through annual assessments against lots and parcels within Sub-Area 2A-1 commencing in fiscal year 2008/2009, and

WHEREAS, the City Council desires to enhance the level of maintenance and services that can currently be funded by the previously adopted assessments in Sub-Area 2A-1 of the District; and therefore the City Council proposes to ballot the property owners of record for a proposed assessment increase against the lots and parcels of land within Sub-Area 2A-1 deemed necessary to support and pay the cost and expenses related to this higher level of maintenance for which properties within Sub-Area 2A-1 will receive special benefits; and,

WHEREAS, the Assessment Engineer of Work has prepared and filed an Engineer's Report in connection with the proposed assessment increase for Sub-Area 2A-1 commencing in fiscal year 2008/2009 (beginning July 1, 2008 and ending June 30, 2009) with the City Clerk pursuant to Section 22623 of the Act, and said report has been presented to the City Council, and is incorporated herein by reference, and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASO ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

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

- Section 2. Report: The Report as presented consists of the following:
- a. A Description of the Sub-Area and Improvements (Plans and Specifications).
 - b. The Method of Apportionment that details the method of calculating the proportional special benefits and the annual assessment obligation for each affected parcel including a description of an "Assessment Range Formula" applicable to subsequent assessments.
 - c. The estimated annual costs and expenses to provide the improvements (Budget) that establishes the proposed new "Maximum Assessment Rate" for the Sub-Area and the assessment rate for the upcoming year.
 - d. An Assessment Diagram (Boundary Map).
 - e. An Assessment Roll containing the assessment to be levied for each Assessor Parcel Number within the Sub-Area commencing in fiscal year 2008/2009 based on the maximum assessment rate and method of apportionment.

Section 3. Engineer's Report, Approval: The Engineer's Report is hereby approved on a preliminary basis as submitted or amended by direction of this City Council, and is hereby ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

Section 4. Intention: The City Council hereby declares its intention to modify the level of service and maintenance of specified improvements within Sub-Area 2A-1 of the District and proposes an increase to the annual assessments necessary to fund the cost and expenses associated with those modifications; and to levy and collect such assessments against parcels of land within Sub-Area 2A-1 commencing with fiscal year 2008/2009 in accordance with the Act and the provisions of the California Constitution Article XIID.

The City Council further declares its intention to conducted public hearing regarding Sub-Area 2A-1 of the District and the proposed levy of an increased assessment pursuant to the Act and calls for a property owner protest balloting proceeding related thereto in accordance with the provisions of the California Constitution Article XIID. The City Council finds that the public's best interest requires such action and levy of assessments.

- Section 5. Territory: The City Council hereby finds that the lots, parcels of land and subdivisions within the boundaries of Sub-Area 2A-1, includes all properties that receive special benefits from the improvements for which the City proposes to modify and enhance the current level of service.
- Section 6. Improvements: The proposed improvements and services to be provided and for which properties shall be assessed, include but are not limited to the regular maintenance, operation and incidental expenses related to the landscaped areas and facilities within the public right-of-ways or easements associated with the development of properties within Sub-Area 2A-1, that may include, but are not limited to: parkways, slopes, open space, detention basins, drainage improvements, and street lighting improvements. The Engineer's Report prepared in connection with these proceedings for a proposed assessment increase in Sub-Area 2A-1 provides a more detailed description of the improvements and associated costs.
- Section 7. Assessments: The City Council hereby determines that in order to provide an appropriate level of maintenance and related services and activities for the improvements within Sub-Area 2A-1 as generally described in section 6 of this resolution, it is necessary to increase the annual assessments to be levied against lots and parcels within Sub-Area 2A-1 commencing in fiscal year 2008/2009. The Engineer's Report referred to in Section 2 of this resolution establishes the estimated budget of anticipated expenses and the resulting new maximum assessments for Sub-Area 2A-1 including the annual inflationary adjustment, that will be necessary to provide ongoing funding for a higher level of maintenance and servicing of Sub-Area 2A-1's improvements including all operational and incidental expenses related to such improvements and services.
- Section 8. Compliance with the Constitution: Pursuant to California Constitution, Article XIID, an assessment ballot proceeding is hereby called on the matter of confirming the proposed assessment increase for Sub-Area 2A-1. The ballots and notices so authorized shall be distributed by first class mail to the property owners of record as of the last County equalized roll, and property owner or owners of each affected parcel may return the ballot by mail or in person to the City Clerk not later than the conclusion of the public hearing for this matter.
- Section 9. Public Hearing: The City Council hereby declares its intention to

conduct a public hearing concerning Sub-Area 2A-1, the improvements therein and the proposed assessment increase connected therewith, in accordance with Government Code, Section 54954.6 and California Constitution, Article XIID, Section 4(e);

Notice is hereby given that a public hearing on these matters will be held by the City Council on Tuesday, May 6, 2008 at 7:30 P.M., or as soon thereafter as feasible in the City Council Chambers, located at 1000 Spring Street, Paso Robles, at the time so fixed. At the Public Hearing, all interested persons shall be afforded the opportunity to hear and be heard.

- Section 10. Notice and Ballot: The City Council hereby authorizes and directs the City Clerk or their designee to prepare and mail notice of the Public Hearing and property owner protest ballots to the property owners of record regarding the proposed assessment increase for Sub-Area 2A-1 including the assessment range formula as outlined in the Engineer's Report, for return receipt prior to the date and time of the public hearing set forth in this resolution.

A notice of the hearing and ballot shall be distributed by first class mail to the property owner of record for each parcel within the Sub-Area 2A-1 subject to an assessment not less than 45 days before the date of the public hearing pursuant to California Constitution, Article XIID.

- Section 11. Protest Proceedings: The property owner protest ballot proceeding conducted for Sub-Area 2A-1 shall constitute the property owners' approval or rejection of the proposed assessment increase and assessment range formula. Each property owner may return the ballot by mail or in person to the City Clerk no later than the conclusion of the public hearing scheduled for Tuesday, May 6, 2008. After the close of the Public Hearing, pursuant to Section 4 (e) of the California Constitution, the City Clerk or their designee shall open and tabulate the ballots returned to determine if majority protest exists. Only those ballots issued by or on behalf of the City for Sub-Area 2A-1 shall be considered as valid ballots and shall be weighted according to the proportional financial obligation of each affected property. Majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment.

In addition to the ballot proceedings property owners may also file a written protest with the City Clerk prior to the conclusion of the

hearing, or having previously filed such written protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection and such protest by a property owner within the District shall contain a description sufficient to identify the property owned by such property owner. At the public hearing, all interested persons shall be afforded the opportunity to hear and be heard.

Section 12. Notice: The City Clerk is hereby authorized and directed to give notice of such Public Hearing as provided by law

PASSED AND ADOPTED

Frank Mecham, Mayor
City of Paso Robles, California

ATTEST:

Cathy David, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO ADMINISTRATION:

James L. App, City Manager

Section 11. Determination of Majority Protest: The property owner protest ballot proceeding conducted for Sub-Area 2A-1 shall constitute the property owners' approval or rejection of the proposed assessment increase and associate assessment range formula. The property owner(s) may return their ballot by mail or in person to the City Clerk not later than the

conclusion of the Public Hearing on Tuesday May 6, 2008. After the close of the Public Hearing, pursuant to Section 4, Sub-Section 4 (e) of the California Constitution, the City shall tabulate the ballots returned to determine if majority protest exists. Only those ballots issued by the City shall be considered as valid ballots and shall be weighted according to the proportional financial obligation of the affected property. Majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment.

In addition to the mailed ballot proceedings, any interested person may file a written protest with the City Clerk prior to the conclusion of the hearing, or having previously filed protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection, and protest by a property owner shall contain a description sufficient to identify the property owned by such property owner. At the public hearing, all interested persons shall be afforded the opportunity to hear and be heard.

Section 12. Notice: The City Clerk is hereby authorized and directed to give notice of such Public Hearing as provided by law.

The foregoing Resolution No. _____ was adopted by the City Council of the City of Paso Robles on the _____ day of _____, 2008, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

Mayor

ATTEST:

City Clerk

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES, INITIATING PROCEEDINGS FOR A PROPOSED ASSESSMENT INCREASE FOR PROPERTIES WITHIN SUB-AREA 112 OF THE CITY OF PASO ROBLES LANDSCAPE AND LIGHTING DISTRICT NO. 1 COMMENCING IN FISCAL YEAR 2008/2009

WHEREAS, the City Council through previous resolutions has established and levied annual assessments for the City of Paso Robles Landscape and Lighting District No. 1 (hereinafter referred to as the "District"), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500) (hereinafter referred to as the "Act") that provides for the collection of assessments by the County of San Luis Obispo on behalf of the City of Paso Robles to pay the maintenance and services of improvements and facilities related thereto, and

WHEREAS, the City Council desires to initiate proceedings for a proposed assessment increase associated with the improvements and proposed change in services to be provided within Sub-Area 112 of the District (hereinafter referred to as "Sub-Area 112"), pursuant to Chapter 3 of the Act; and the establishment of a new maximum assessment rate related thereto; and the levy and collection of annual assessments against lots and parcels of land within Sub-Area 112 commencing in fiscal year 2008/2009 for the landscape improvements and services that will provide special benefits to those properties pursuant to Chapter 4 Article 2 of the Act and the California Constitution Article XIID, and

WHEREAS, the City Council has retained MuniFinancial as the Assessment Engineer of Work, for the purpose of assisting with the proceedings to the establishment the proposed new maximum assessments for Sub-Area 112, and to prepare and file an Engineer's Report with the City Clerk in accordance with the Act.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASO ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

- Section 1. Recitals: The above recitals are true and correct.
- Section 2. Engineer's Report: The City Council hereby orders the Assessment Engineer to prepare and file with the City Clerk an Engineer's

Report concerning the proposed assessment increase for Sub-Area 112 of the District; the improvements and services connected therewith and the proposed levy of assessments commencing in the fiscal year commencing July 1, 2008 and ending June 30, 2009, in accordance with Chapter 3 Section 22623 of the Act. Said Engineer's Report shall contain a description of the improvements and services, an estimate of the costs financed by the levy of the assessments, the properties benefiting from the improvements and the method of apportioning the assessments connected therewith.

Section 3. Improvements: The proposed improvements and services to be provided and for which properties shall be assessed, include but are not limited to the regular maintenance, operation and incidental expenses related to the landscaped areas and facilities within the public right-of-ways or easements associated with the development of properties within Sub-Area 112, that may include, but are not limited to: parkways, slopes, open space, detention basins, drainage improvements, and street lighting improvements. The Engineer's Report to be prepared in connection with these proceedings for a proposed assessment increase in Sub-Area 112 shall provide a more detailed description of the improvements and associated costs.

Section 4. Assessments: The City Council hereby determines that in order to provide an appropriate level of maintenance and related services and activities for the improvements within Sub-Area 112 as generally described in section 3 of this resolution, it is necessary to increase the annual assessments to be levied against lots and parcels within Sub-Area 112 commencing in fiscal year 2008/2009. The Engineer's Report referred to in Section 2 of this resolution shall establish the estimated budget of anticipated expenses and the resulting new maximum assessments for Sub-Area 112 including the annual inflationary adjustment, that will be necessary to provide ongoing funding for a higher level of maintenance and servicing of Sub-Area 112's improvements being proposed; and the proposed assessment increase may only be imposed pursuant to the provisions of the Act and the California Constitution, Article XIID.

PASSED AND ADOPTED

Frank Mecham, Mayor
City of Paso Robles, California

ATTEST:

Cathy David, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO ADMINISTRATION:

James L. App, City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES, DECLARING ITS INTENTION TO INCREASE TO THE ANNUAL ASSESSMENTS FOR PROPERTIES WITHIN SUB-AREA 112 OF THE CITY OF PASO ROBLES LANDSCAPE AND LIGHTING DISTRICT NO. 1 COMMENCING FISCAL YEAR 2008/2009; AND CALLING FOR A PROPERTY OWNER PROTEST BALLOT PROCEEDING ON THE MATTER OF THE PROPOSED ASSESSMENT INCREASE INCLUDING AN ASSESSMENT RANGE FORMULA

WHEREAS, the City Council, pursuant to provisions of the Landscaping and Lighting Act of 1972 (commencing with Section 22500) Part 2, Division 15 of the California Streets and Highways Code (hereinafter referred to as the "Act"), did by previous Resolution, initiate proceedings for a proposed assessment increase for Sub-Area 112 of the City of Paso Robles Landscape and Lighting District No. 1 (hereafter referred to the "District") to be levied and collected through annual assessments against lots and parcels within Sub-Area 112 commencing in fiscal year 2008/2009, and

WHEREAS, the City Council desires to enhance the level of maintenance and services that can currently be funded by the previously adopted assessments in Sub-Area 112 of the District; and therefore the City Council proposes to ballot the property owners of record for a proposed assessment increase against the lots and parcels of land within Sub-Area 112 deemed necessary to support and pay the cost and expenses related to this higher level of maintenance for which properties within Sub-Area 112 will receive special benefits; and,

WHEREAS, the Assessment Engineer of Work has prepared and filed an Engineer's Report in connection with the proposed assessment increase for Sub-Area 112 commencing in fiscal year 2008/2009 (beginning July 1, 2008 and ending June 30, 2009) with the City Clerk pursuant to Section 22623 of the Act, and said report has been presented to the City Council, and is incorporated herein by reference, and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASO ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

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

- Section 2. Report: The Report as presented consists of the following:
- a. A Description of the Sub-Area and Improvements (Plans and Specifications).
 - b. The Method of Apportionment that details the method of calculating the proportional special benefits and the annual assessment obligation for each affected parcel including a description of an "Assessment Range Formula" applicable to subsequent assessments.
 - c. The estimated annual costs and expenses to provide the improvements (Budget) that establishes the proposed new "Maximum Assessment Rate" for the Sub-Area and the assessment rate for the upcoming year.
 - d. An Assessment Diagram (Boundary Map).
 - e. An Assessment Roll containing the assessment to be levied for each Assessor Parcel Number within the Sub-Area commencing in fiscal year 2008/2009 based on the maximum assessment rate and method of apportionment.

Section 3. Engineer's Report, Approval: The Engineer's Report is hereby approved on a preliminary basis as submitted or amended by direction of this City Council, and is hereby ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

Section 4. Intention: The City Council hereby declares its intention to modify the level of service and maintenance of specified improvements within Sub-Area 112 of the District and proposes an increase to the annual assessments necessary to fund the cost and expenses associated with those modifications; and to levy and collect such assessments against parcels of land within Sub-Area 112 commencing with fiscal year 2008/2009 in accordance with the Act and the provisions of the California Constitution Article XIID.

The City Council further declares its intention to conducted public hearing regarding Sub-Area 112 of the District and the proposed levy of an increased assessment pursuant to the Act and calls for a property owner protest balloting proceeding related thereto in accordance with the provisions of the California Constitution Article XIID. The City Council finds that the public's best interest requires such action and levy of assessments.

- Section 5. Territory: The City Council hereby finds that the lots, parcels of land and subdivisions within the boundaries of Sub-Area 112, includes all properties that receive special benefits from the improvements for which the City proposes to modify and enhance the current level of service.
- Section 6. Improvements: The proposed improvements and services to be provided and for which properties shall be assessed, include but are not limited to the regular maintenance, operation and incidental expenses related to the landscaped areas and facilities within the public right-of-ways or easements associated with the development of properties within Sub-Area 112, that may include, but are not limited to: parkways, slopes, open space, detention basins, drainage improvements, and street lighting improvements. The Engineer's Report prepared in connection with these proceedings for a proposed assessment increase in Sub-Area 112 provides a more detailed description of the improvements and associated costs.
- Section 7. Assessments: The City Council hereby determines that in order to provide an appropriate level of maintenance and related services and activities for the improvements within Sub-Area 112 as generally described in section 6 of this resolution, it is necessary to increase the annual assessments to be levied against lots and parcels within Sub-Area 112 commencing in fiscal year 2008/2009. The Engineer's Report referred to in Section 2 of this resolution establishes the estimated budget of anticipated expenses and the resulting new maximum assessments for Sub-Area 112 including the annual inflationary adjustment, that will be necessary to provide ongoing funding for a higher level of maintenance and servicing of Sub-Area 112's improvements including all operational and incidental expenses related to such improvements and services.
- Section 8. Compliance with the Constitution: Pursuant to California Constitution, Article XIID, an assessment ballot proceeding is hereby called on the matter of confirming the proposed assessment increase for Sub-Area 112. The ballots and notices so authorized shall be distributed by first class mail to the property owners of record as of the last County equalized roll, and property owner or owners of each affected parcel may return the ballot by mail or in person to the City Clerk not later than the conclusion of the public hearing for this matter.
- Section 9. Public Hearing: The City Council hereby declares its intention to

conduct a public hearing concerning Sub-Area 112, the improvements therein and the proposed assessment increase connected therewith, in accordance with Government Code, Section 54954.6 and California Constitution, Article XIID, Section 4(e);

Notice is hereby given that a public hearing on these matters will be held by the City Council on Tuesday, May 6, 2008 at 7:30 P.M., or as soon thereafter as feasible in the City Council Chambers, located at 1000 Spring Street, Paso Robles, at the time so fixed. At the Public Hearing, all interested persons shall be afforded the opportunity to hear and be heard.

- Section 10. Notice and Ballot: The City Council hereby authorizes and directs the City Clerk or their designee to prepare and mail notice of the Public Hearing and property owner protest ballots to the property owners of record regarding the proposed assessment increase for Sub-Area 112 including the assessment range formula as outlined in the Engineer's Report, for return receipt prior to the date and time of the public hearing set forth in this resolution.

A notice of the hearing and ballot shall be distributed by first class mail to the property owner of record for each parcel within the Sub-Area 112 subject to an assessment not less than 45 days before the date of the public hearing pursuant to California Constitution, Article XIID.

- Section 11. Protest Proceedings: The property owner protest ballot proceeding conducted for Sub-Area 112 shall constitute the property owners' approval or rejection of the proposed assessment increase and assessment range formula. Each property owner may return the ballot by mail or in person to the City Clerk no later than the conclusion of the public hearing scheduled for Tuesday, May 6, 2008. After the close of the Public Hearing, pursuant to Section 4 (e) of the California Constitution, the City Clerk or their designee shall open and tabulate the ballots returned to determine if majority protest exists. Only those ballots issued by or on behalf of the City for Sub-Area 112 shall be considered as valid ballots and shall be weighted according to the proportional financial obligation of each affected property. Majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment.

In addition to the ballot proceedings property owners may also file a written protest with the City Clerk prior to the conclusion of the

hearing, or having previously filed such written protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection and such protest by a property owner within the District shall contain a description sufficient to identify the property owned by such property owner. At the public hearing, all interested persons shall be afforded the opportunity to hear and be heard.

Section 12. Notice: The City Clerk is hereby authorized and directed to give notice of such Public Hearing as provided by law

PASSED AND ADOPTED

Frank Mecham, Mayor
City of Paso Robles, California

ATTEST:

Cathy David, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO ADMINISTRATION:

James L. App, City Manager

Section 11. Determination of Majority Protest: The property owner protest ballot proceeding conducted for Sub-Area 112 shall constitute the property owners' approval or rejection of the proposed assessment increase and associate assessment range formula. The property owner(s) may return their ballot by mail or in person to the City Clerk not later than the

conclusion of the Public Hearing on Tuesday May 6, 2008. After the close of the Public Hearing, pursuant to Section 4, Sub-Section 4 (e) of the California Constitution, the City shall tabulate the ballots returned to determine if majority protest exists. Only those ballots issued by the City shall be considered as valid ballots and shall be weighted according to the proportional financial obligation of the affected property. Majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment.

In addition to the mailed ballot proceedings, any interested person may file a written protest with the City Clerk prior to the conclusion of the hearing, or having previously filed protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection, and protest by a property owner shall contain a description sufficient to identify the property owned by such property owner. At the public hearing, all interested persons shall be afforded the opportunity to hear and be heard.

Section 12. Notice: The City Clerk is hereby authorized and directed to give notice of such Public Hearing as provided by law.

The foregoing Resolution No. _____ was adopted by the City Council of the City of Paso Robles on the _____ day of _____, 2008, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Mayor

ATTEST:

City Clerk