



Staff Report

Date: June 7, 2016

To: City Council

From: Valerie J. Barone, City Manager

Reviewed by: Justin Ezell, Director of Public Works

Prepared by: David Boatwright, Senior Administrative Analyst
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(925) 671-3141

Subject: **Consider adoption of Resolution Nos. 16-37, 16-38, 16-39, and 16-40 confirming the Assessment Diagrams and levying the annual assessments for the Downtown Landscape Maintenance District, Pine Hollow Estates Landscape & Lighting Maintenance District, Landscape & Lighting Maintenance District No. 3, and the Citywide Street Lighting Assessment District for Fiscal Year 2016/17**

Report in Brief

With this public hearing, the City Council will continue the process required by the Landscaping and Lighting Act of 1972 and Proposition 218 to reconfirm for FY 2016/17 the four Landscape and Lighting Maintenance Districts administered by the City.

Recommended Action

Staff recommends that the City Council receive testimony from interested persons regarding the confirmation of assessment districts and the levy of assessments for FY 2016/17, and that the City Council:

1. Adopt Resolution No. 16-37 (Attachment 1) confirming the assessment diagram and levy of assessments for the Downtown Landscape Maintenance District for Fiscal Year 2016/17.
2. Adopt Resolution No. 16-38 (Attachment 2) confirming the assessment diagram and levy of assessments for the Pine Hollow Estates Landscape and Lighting Maintenance District for Fiscal Year 2016/17.

City Council Agenda Report

Adopt Resolutions confirming the Assessment Diagrams and levying the annual assessments for the Downtown Landscape Maintenance, Pine Hollow Estates Landscaping & Lighting Maintenance, Landscape & Lighting Maintenance No. 3, and Citywide Street Lighting Assessment Districts for Fiscal Year 2016/17

June 7, 2016

3. Adopt Resolution No. 16-39 (Attachment 3) confirming the assessment diagram and levy of assessments for the Landscaping and Lighting Maintenance District No. 3 for Fiscal Year 2016/17.
4. Adopt Resolution No. 16-40 (Attachment 4) confirming the assessment diagram and levy of assessments for the Citywide Street Lighting Assessment District for Fiscal Year 2016/17.

Background

On March 1, 2016, City Council adopted resolutions ordering the preparation of the Engineer's Reports for the levy of annual assessments for the Downtown Landscape Maintenance District, the Pine Hollow Estates Landscape and Lighting Maintenance District, Landscaping and Lighting Maintenance District No. 3, and the Citywide Street Lighting Assessment District. District No. 3 is a combined district that includes Kirkwood, Ygnacio Woods, Balhan Terrace and Valley Terrace subdivisions. The Engineer's Report is prepared by a registered engineer and contains five parts:

- Plans and Specifications for the intended assessment district improvements.
- A cost estimate of the improvements.
- An assessment diagram of the area to be assessed.
- Method of apportionment of assessment.
- An assessment roll listing the parcels to be assessed.

The purpose of the Engineer's Report is to provide a public document that delineates the improvements expected to be installed or maintained by the assessment district, describes the methods used by the Engineer of Work to determine the level of benefit of each parcel in the district, and provides proposed assessment amounts for each parcel.

Analysis

The subject districts are not required to comply with Proposition 218 balloting requirements unless the assessments are projected to increase beyond the voter approved assessments, excluding any approved consumer price index (CPI) increase or mathematical formula that was approved by voters. City staff has determined that it is not necessary to increase the assessments for FY 2016/17 beyond any previously property owner approved CPI index calculation increases; therefore a Proposition 218 vote is not required.

The Assessment District Engineering Services firm of Francisco & Associates, Inc. has prepared the Final Engineer's Reports and filed them with the City Clerk (Attachments 1-4). The reports contain detailed descriptions of the improvements and associated

City Council Agenda Report

Adopt Resolutions confirming the Assessment Diagrams and levying the annual assessments for the Downtown Landscape Maintenance, Pine Hollow Estates Landscaping & Lighting Maintenance, Landscape & Lighting Maintenance No. 3, and Citywide Street Lighting Assessment Districts for Fiscal Year 2016/17
June 7, 2016

costs, the properties to be assessed, and the proposed assessments on each parcel within each district.

The Resolutions of Intention that were adopted on April 26, 2016, set the required public hearing for June 7, 2016, at 6:30 p.m. in the Council Chambers at 1950 Parkside Drive. Notices for all districts were published in accordance with the provisions of the Landscaping and Lighting Act of 1972.

At the conclusion of the public hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed. Upon final adoption, the districts will be reconfirmed for FY 2016/17 and the assessment amounts will be posted to the County tax rolls. These assessments will appear as a separate item on the property tax bill for each parcel.

Concord's Districts provide landscape and/or lighting maintenance services in the following six areas of Concord:

- Downtown Landscape Maintenance District
- Pine Hollow Estates Landscape and Lighting Maintenance District
- Kirkwood Landscape Maintenance District
- Ygnacio Woods Landscape Maintenance District
- Balhan Terrace Maintenance District
- Valley Terrace Maintenance District

In addition, there is a citywide district for street lights, known as the Citywide Street Lighting Assessment District.

Separate financial plans were developed for the Citywide Street Lighting, Downtown, and Pine Hollow Districts. The Kirkwood, Ygnacio Woods, Balhan Terrace, and Valley Terrace Districts were combined into a single 10-Year Plan in 1979, consolidating them into a single district known as Lighting and Landscaping Assessment District No. 3. To accurately track the operation and maintenance costs for each of the benefit zones in District No. 3, individual financial plans were also developed. The revenue and appropriation assumptions developed for the City's enterprise funds were also used in each of the district's financial plans. The individual financial plans for each district are discussed below.

Downtown Landscape Maintenance District

The Downtown Landscape Maintenance District was created on November 14, 1983, for the purpose of maintaining landscaping in the downtown area. The District was ratified by the property owners and reconfirmed through a Proposition 218

City Council Agenda Report

Adopt Resolutions confirming the Assessment Diagrams and levying the annual assessments for the Downtown Landscape Maintenance, Pine Hollow Estates Landscaping & Lighting Maintenance, Landscape & Lighting Maintenance No. 3, and Citywide Street Lighting Assessment Districts for Fiscal Year 2016/17

June 7, 2016

election in 1997. The total assessment is based on each parcel's square footage, street frontage, and respective benefit zone. The improvements within this district are generally described as the maintenance and servicing of landscaping in street medians, public plazas, parking, and other public places, including street trees in public right-of-ways.

The Downtown Maintenance District provides landscape services for the Central Concord area, including Todos Santos Plaza and median islands on Willow Pass Road (between East Street and Contra Costa Boulevard), Concord Avenue and Market Street. City employees provide all maintenance services charged to the District.

A successful Proposition 218 election was conducted in FY 2006/07 to increase the annual assessments beginning in FY 2007/08. This election also included an automatic inflation factor to ensure the long term solvency of the District. The District is still supported by General Fund monies for City-provided administrative support and general services.

Pine Hollow Landscape Maintenance District

The Pine Hollow Landscape Maintenance District provides all landscape services on the south side of Pine Hollow Road, east of Ygnacio Valley Road, between the PG&E substation and Rollingwoods Way, including landscaping that continues up to, but end, at the border of the Crystal Ranch home owners association. All of the landscape services charged to the Pine Hollow District are provided through a contract managed by the Public Works Department. The estimated cost of the landscape maintenance contract for FY 2016/17 is \$25,728, with the total expenditures including utilities, capital reserves, administration, engineering services and fixed charges estimated at \$82,175.

Landscaping and Lighting District No. 3

Landscaping and Lighting District No. 3 is comprised of four different subdivisions: Kirkwood, Ygnacio Woods, Balhan Terrace, and Valley Terrace located in the Clayton Valley area of the City. With the exception of Ygnacio Woods, all other landscape services charged to the combined District No. 3 are provided through a contract managed by the Public Works Department. City employees provide landscape services for Ygnacio Woods.

A capital replacement reserve budget appropriation was added to the District beginning in FY 2007-08, the amount is currently set at \$2,000 annually. Once firmly established, this reserve will allow planning for upgrading and replacement of older technology sprinkler systems, landscape features, or other capital items approaching the end of their useful life.

City Council Agenda Report

Adopt Resolutions confirming the Assessment Diagrams and levying the annual assessments for the Downtown Landscape Maintenance, Pine Hollow Estates Landscaping & Lighting Maintenance, Landscape & Lighting Maintenance No. 3, and Citywide Street Lighting Assessment Districts for Fiscal Year 2016/17

June 7, 2016

Currently, landscaping in Kirkwood is provided by a private contractor and managed by the Public Works Department. The estimated cost of landscape maintenance for FY 2016/17 is \$24,665.

This will be the tenth year of automatic CPI inflation increase for the Ygnacio Woods assessments, following a successful Proposition 218 election in FY 2004/05. Ygnacio Woods assessments include an annual automatic CPI inflation increase.

Landscaping services are provided by City staff. Ygnacio Woods landscaping maintenance cost for FY 2016/17 is estimated at \$2,002.

Balhan Terrace and Valley Terrace are assessed only for the cost of street lighting within these subdivisions and continue to require zero assessments due to State tax augmentation funds. These funds are sufficient to maintain the districts. State tax augmentation funds are rebates from the State to offset the impacts of Proposition 13 on Landscaping and Lighting Districts in existence prior to 1978.

Citywide Street Lighting District

The Concord Citywide Street Lighting Assessment District was formed in FY 1988/89 for the purpose of funding the installation, maintenance and servicing of public lighting facilities in public places within the district. The district includes all parcels of land within the incorporated limits of the City of Concord that benefit from existing or newly installed streetlights. The total assessment is divided among the parcels of land in proportion to the estimated benefits to be received by that parcel.

Improvements within this district generally consist of the installation, maintenance, and servicing of public lighting facilities in public places within the district. Public lighting facilities consist of pole mounted street lights within the public right-of-way and public parking areas of the City of Concord. The Citywide Street Lighting Assessment District provides street lighting services including electrical costs, street light repair and replacement, capital improvements, and Assessment District proceedings.

This is the tenth year of City ownership and maintenance of the streetlight system. The initial purchase from PG&E required a loan from the Traffic Management Fund of \$477,000. The District continues to pay the loan back over a six year period which commenced in FY 2011/12. The streetlight system is currently being maintained by City staff in the Public Works Department. The district supports the cost of a Public Works Traffic Signal Technician to perform maintenance on the system.

City Council Agenda Report

Adopt Resolutions confirming the Assessment Diagrams and levying the annual assessments for the Downtown Landscape Maintenance, Pine Hollow Estates Landscaping & Lighting Maintenance, Landscape & Lighting Maintenance No. 3, and Citywide Street Lighting Assessment Districts for Fiscal Year 2016/17

June 7, 2016

District Assessments

| <i>Downtown Landscape Maintenance District</i> | | | | |
|---|------------------------------------|----------------------------------|--------------------------------|------------------------|
| | <i>2015/2016 Assessment</i> | <i>2016/2017 Proposed</i> | <i>Range Per Parcel</i> | <i>Comments</i> |
| Downtown | \$367,424 | \$378,200 | \$1.08-\$12,738 | Inflation factor |

| <i>Pine Hollow Landscape Maintenance District</i> | | | | |
|--|------------------------------------|----------------------------------|--------------------------------|------------------------|
| | <i>2015/2016 Assessment</i> | <i>2016/2017 Proposed</i> | <i>Range Per Parcel</i> | <i>Comments</i> |
| Pine Hollow | \$61,677 | \$61,677 | \$70 - \$254 | No change |

| <i>Landscaping & Lighting Maintenance District No. 3</i> | | | | |
|---|------------------------------------|----------------------------------|-------------------------------------|------------------------|
| | <i>2015/2016 Assessment</i> | <i>2016/2017 Proposed</i> | <i>Assessment Per Parcel</i> | <i>Comments</i> |
| Kirkwood | \$19,020 | \$19,020 | \$40.64 | No change |
| Ygnacio Woods | \$9,276 | \$9,549 | \$272.82 | Inflation factor |
| *Balhan | \$0 | \$0 | \$0 | No change |
| *Valley Terrace | \$0 | \$0 | \$0 | No change |

*Funded through State of California tax augmentation

| <i>Citywide Street Lighting Assessment District</i> | | | | |
|--|------------------------------------|--------------------------------|--|------------------------|
| | <i>2015/2016 Assessment</i> | <i>2016/17 Proposed</i> | <i>Typical Range Per Parcel</i> | <i>Comments</i> |
| Citywide Street Lighting | \$1,043,414 | \$1,043,433 | \$12.50 - \$500 | |

City Council Agenda Report

Adopt Resolutions confirming the Assessment Diagrams and levying the annual assessments for the Downtown Landscape Maintenance, Pine Hollow Estates Landscaping & Lighting Maintenance, Landscape & Lighting Maintenance No. 3, and Citywide Street Lighting Assessment Districts for Fiscal Year 2016/17

June 7, 2016

Financial Impact

Landscape District budgets are separate from the City's General Fund. The Assessments that are collected finance the maintenance of the districts. The Public Works Department costs for labor and materials associated with the Ygnacio Woods Benefit Zone, the Downtown Maintenance District, and the Citywide Street Lighting Assessment District are charged to the individual district budgets.

Public Contact

Posting of the Council Agenda. Additionally, all property owners in the Downtown Landscape Maintenance District were invited to attend a meeting held on March 24, 2016, to review the proposed budget and ask questions of staff. There were no attendees at that meeting.

Also on March 24, 2016, staff held separate meetings with the property owners of the Pine Hollow Landscape Maintenance District and the Landscaping and Lighting Maintenance District No. 3 to ask questions and to discuss preliminary budget proposals. All property owners in the individual districts were invited to attend and participate in these community meetings. A total of nine property owners attended the meetings. A number of items were discussed, such as maintenance of the private driveways in Kirkwood, Pine Hollow tennis courts, weed abatement, tree trimming, and tot lot items. Many of the issues brought up by property owners have already been addressed, the others are being addressed.

Attachments

1. Resolution No. 16-37 – Downtown Landscape Maintenance District
2. Resolution No. 16-38 – Pine Hollow Estates Landscape and Lighting Maintenance District
3. Resolution No. 16-39 – District No. 3 Landscape and Lighting Maintenance District
4. Resolution No. 16-40 – Citywide Street Lighting District
5. Engineer's Report – Downtown Maintenance District
6. Engineer's Report – Pine Hollow Estates Landscape and Lighting Maintenance District
7. Engineer's Report – District No. 3 Landscaping and Lighting Maintenance District
8. Engineer's Report – Citywide Street Lighting District
9. Downtown Landscape Maintenance District 10-year Financial Plan
10. Pine Hollow Estates Landscape and Lighting Maintenance District 10-year Financial Plan
11. District No. 3 Landscaping and Lighting Maintenance District 10-year Financial Plan
12. Citywide Street Lighting District 10-year Financial Plan

BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA

**A Resolution Confirming the Assessment Diagram
and Levy of Assessments for Maintenance within the
Downtown Landscape Maintenance District for Fiscal
Year 2016-17**

Resolution No. 16-37

WHEREAS, the City Council, by Resolution No. 84-73, established the Downtown Landscape Maintenance District pursuant to the provisions of the Streets and Highways Code Section 22500, et seq. of the Landscape and Lighting Act of 1972; and

WHEREAS, the City Council, at its regular meeting on March 1, 2016, adopted Resolution No. 16-13, ordering the preparation of an Engineer’s report for the Downtown Landscape Maintenance District; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, adopted Resolution No. 16-22 accepting said Engineer’s Report; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, also adopted Resolution No. 16-26 setting forth the Council’s intention to levy and collect assessments, and set a public hearing to be held on June 7, 2016, for receiving public testimony, confirming the Assessment Diagram, and levying assessments; and

WHEREAS, the City Council, at its public hearing on June 7, 2016, received public testimony and upon conclusion of the public hearings, the Council considered all oral statements and written protests made or filed by any interested person.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. Confirms the assessments for the Downtown Landscape Maintenance District as identified in the Engineer’s Report and Assessment Diagram of the area to be assessed and levies the assessment for the 2016/2017 fiscal year.

Section 2. Directs the City Clerk to assist the Engineer of Work, who will file a certified copy of the Diagram and the Assessments with the Contra Costa County Auditor, pursuant to the Streets

1 and Highways Code Section 22641, et seq.

2 **Section 3.** This resolution shall become effective immediately upon its passage and adoption.

3 **PASSED AND ADOPTED** by the City Council of the City of Concord on June 7, 2016, by
4 the following vote:

5 **AYES:** Councilmembers -

6 **NOES:** Councilmembers -

7 **ABSTAIN:** Councilmembers -

8 **ABSENT:** Councilmembers -

9 **I HEREBY CERTIFY** that the foregoing Resolution No. 16-37 was duly and regularly
10 adopted at a regular meeting of the City Council of the City of Concord on June 7, 2016.

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Joelle Fockler, MMC
City Clerk

15 **APPROVED AS TO FORM:**

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Susanne Meyer Brown
City Attorney

BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA

**A Resolution Confirming the Assessment Diagram
and Levy of Assessments for Maintenance within the
Pine Hollow Estates Landscape and Lighting
Maintenance District for Fiscal Year 2016/17**

Resolution No. 16-38

WHEREAS, the City Council, by Resolution No. 85-15, established the Pine Hollow Landscape Maintenance District pursuant to the provisions of the Streets and Highways Code Section 22500, et seq. of the Landscape and Lighting Act of 1972; and

WHEREAS, the City Council, at its regular meeting on March 1, 2016, adopted Resolution No. 16-14, ordering the preparation of an Engineer’s report for the Pine Hollow Landscape Maintenance District; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, adopted Resolution No. 16-23 accepting said Engineer’s Report; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, also adopted Resolution No. 16-27 setting forth the Council’s intention to levy and collect assessments, and set a public hearing to be held on June 7, 2016, for receiving public testimony, confirming the Assessment Diagram, and levying assessments; and

WHEREAS, the City Council, at its public hearing on June 7, 2016, received public testimony and upon conclusion of the public hearings, the Council considered all oral statements and written protests made or filed by any interested person.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. Confirms the assessments for the Pine Hollow Landscape Maintenance District as identified in the Engineer’s Report and Assessment Diagram of the area to be assessed and levies the assessment for the 2016/2017 fiscal year.

Section 2. Directs the City Clerk to assist the Engineer of Work, who will file a certified copy of the Diagram and the Assessments with the Contra Costa County Auditor, pursuant to the Streets

1 and Highways Code Section 22641, et seq.

2 **Section 3.** This resolution shall become effective immediately upon its passage and adoption.

3 **PASSED AND ADOPTED** by the City Council of the City of Concord on June 7, 2016, by
4 the following vote:

5 **AYES:** Councilmembers -

6 **NOES:** Councilmembers -

7 **ABSTAIN:** Councilmembers -

8 **ABSENT:** Councilmembers -

9 **I HEREBY CERTIFY** that the foregoing Resolution No. 16-38 was duly and regularly
10 adopted at a regular meeting of the City Council of the City of Concord on June 7, 2016.

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Joelle Fockler, MMC
City Clerk

16 **APPROVED AS TO FORM:**

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Susanne Meyer Brown
City Attorney

BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA

**A Resolution Confirming the Assessment Diagram
and Levy of Assessments for Maintenance within the
Landscape and Lighting Maintenance District No. 3
for Fiscal Year 2016-17**

Resolution No. 16-39

WHEREAS, the City Council, by Resolution No. 79-6202, established the Landscape and Lighting Maintenance District No. 3 pursuant to the provisions of the Streets and Highways Code Section 22500, et seq. of the Landscape and Lighting Act of 1972; and

WHEREAS, the City Council, at its regular meeting on March 1, 2016, adopted Resolution No. 16-15, ordering the preparation of an Engineer’s report for the Landscape and Lighting Maintenance District No. 3; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, adopted Resolution No. 16-24 accepting said Engineer’s Report; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, also adopted Resolution No. 16-28 setting forth the Council’s intention to levy and collect assessments, and set a public hearing to be held on June 7, 2016, for receiving public testimony, confirming the Assessment Diagram, and levying assessments; and

WHEREAS, the City Council, at its public hearing on June 7, 2016, received public testimony and upon conclusion of the public hearings, the Council considered all oral statements and written protests made or filed by any interested person.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. Confirms the assessments for the Landscape and Lighting Maintenance District No. 3 as identified in the Engineer’s Report and Assessment Diagram of the area to be assessed and levies the assessment for the 2016/2017 fiscal year.

Section 2. Directs the City Clerk to assist the Engineer of Work, who will file a certified copy of the Diagram and the Assessments with the Contra Costa County Auditor, pursuant to the Streets

1 and Highways Code Section 22641, et seq.

2 **Section 3.** This resolution shall become effective immediately upon its passage and adoption.

3 **PASSED AND ADOPTED** by the City Council of the City of Concord on June 7, 2016, by
4 the following vote:

5 **AYES:** Councilmembers -

6 **NOES:** Councilmembers -

7 **ABSTAIN:** Councilmembers -

8 **ABSENT:** Councilmembers -

9 **I HEREBY CERTIFY** that the foregoing Resolution No. 16-39 was duly and regularly
10 adopted at a regular meeting of the City Council of the City of Concord on June 7, 2016.

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Joelle Fockler, MMC
City Clerk

15 **APPROVED AS TO FORM:**

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17 _____
Susanne Meyer Brown
City Attorney

BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA

**A Resolution Confirming the Assessment Diagram
and Levy of Assessments for Maintenance within the
Citywide Street Lighting Assessment District for
Fiscal Year 2016-17**

Resolution No. 16-40

WHEREAS, the City Council, by Resolution No. 88-46, established the Citywide Street Lighting Assessment District pursuant to the provisions of the Streets and Highways Code Section 22500, et seq. of the Landscape and Lighting Act of 1972; and

WHEREAS, the City Council, at its regular meeting on March 1, 2016 , adopted Resolution No. 16-16, ordering the preparation of an Engineer’s report for the Citywide Street Lighting Assessment District; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, adopted Resolution No. 16-25 accepting said Engineer’s Report; and

WHEREAS, the City Council, at its regular meeting on April 26, 2016, also adopted Resolution No. 16-29 setting forth the Council’s intention to levy and collect assessments, and set a public hearing to be held on June 7, 2016, for receiving public testimony, confirming the Assessment Diagram, and levying assessments; and

WHEREAS, the City Council, at its public hearing on June 7, 2016, received public testimony and upon conclusion of the public hearings, the Council considered all oral statements and written protests made or filed by any interested person.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES
RESOLVE AS FOLLOWS:**

Section 1. Confirms the assessments for the Citywide Street Lighting Assessment District as identified in the Engineer’s Report and Assessment Diagram of the area to be assessed and levies the assessment for the 2016/2017 fiscal year.

Section 2. Directs the City Clerk to assist the Engineer of Work, who will file a certified copy of the Diagram and the Assessments with the Contra Costa County Auditor, pursuant to the Streets

1 and Highways Code Section 22641, et seq.

2 **Section 3.** This resolution shall become effective immediately upon its passage and adoption.

3 **PASSED AND ADOPTED** by the City Council of the City of Concord on June 7, 2016, by
4 the following vote:

5 **AYES:** Councilmembers -

6 **NOES:** Councilmembers -

7 **ABSTAIN:** Councilmembers -

8 **ABSENT:** Councilmembers -

9 **I HEREBY CERTIFY** that the foregoing Resolution No. 16-40 was duly and regularly
10 adopted at a regular meeting of the City Council of the City of Concord on June 7, 2016.

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Joelle Fockler, MMC
City Clerk

15 **APPROVED AS TO FORM:**

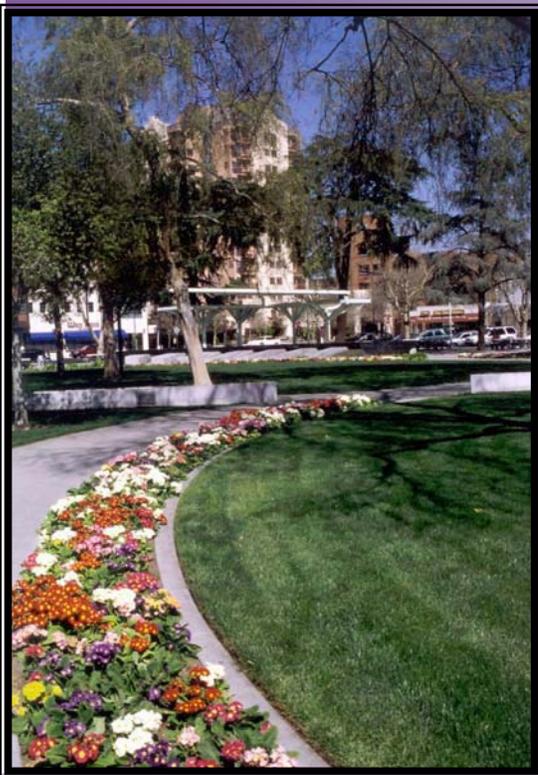
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Susanne Meyer Brown
City Attorney



CITY OF CONCORD

DOWNTOWN LANDSCAPE MAINTENANCE DISTRICT



Fiscal Year 2016-17
Final Engineer's Report

June 7, 2016

Prepared by:
Francisco & Associates, Inc.
130 Market Place, Suite 160
San Ramon, CA 94583



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CITY COUNCIL MEMBERS AND CITY STAFF

Laura M. Hoffmeister
Mayor

Ronald E. Leone
Vice Mayor

Edi E. Birsan
Council Member

Timothy S. Grayson
Council Member

Daniel C. Helix
Council Member

Valerie J. Barone
City Manager

Jovan Grogan
Deputy City Manager

Joelle Fockler
City Clerk

Susanne Brown
City Attorney

Francisco & Associates, Inc.
Assessment Engineer

SECTION I
INTRODUCTION
ENGINEER'S REPORT
CITY OF CONCORD
DOWNTOWN LANDSCAPE MAINTENANCE DISTRICT
FISCAL YEAR 2016-17

Background Information

The Downtown Landscape Maintenance District (District) was created on June 4, 1984 (per City Council Resolution 1984-73) for the purpose of maintaining landscaping (including trees) in the downtown area of Concord. An assessment is levied each year on parcels within the District to help supplement the City's costs for providing a higher level of landscape maintenance services within the downtown area.

In 1996, the California electorate approved Proposition 218 entitled "Right to Vote On Taxes Act", which added Articles XIII C and XIII D to the California Constitution. Proposition 218 created numerous changes to the process of forming and administering assessment districts. One of the most significant changes was that existing landscape maintenance districts needed to be ratified by the property owners if the districts had not previously been approved by a property owner vote. In addition, if a City proposes to increase assessments, Proposition 218 requires that all property owners be mailed a notice and ballot allowing them the opportunity to vote either in favor or against the proposed increase in assessment. Proposition 218 also requires all properties to be assessed if they benefit from the enhanced level of landscaping within the downtown area, including public agency parcels.

Pursuant to the requirements of Proposition 218, the Downtown Landscape Maintenance District was ratified by the property owners and reconfirmed through a mailed ballot election. The City of Concord held a Public Meeting on June 10, 1997 and a Public Hearing on June 17, 1997, to provide an opportunity for any interested person to be heard. At the Public Hearing, ballots were tabulated and it was found that the property owners returning ballots in favor of the assessment represented more than 50% (weighted by assessment amount) of the ballots received, so the assessments for Fiscal Year 1997-98 and following years could continue to be levied. At the conclusion of the Public Hearing, the Concord City Council adopted Resolution No. 97-62, accepting the certification of the balloting results and Resolution No. 97-59 confirming the Downtown Landscape Maintenance District and the levy of assessments for Fiscal Year 1997-98. When the District was ratified, approximately \$200,000 in revenue was being collected annually for the Downtown Landscape Maintenance District. This assessment collection rate of \$200,000/yr. had been kept fairly constant from Fiscal Year 1997-98 through Fiscal Year 2006-07.

In Fiscal Year 2007-08, the City's Ten-Year Plan indicated a future shortfall in the Downtown Landscape Maintenance District. In addition, a detailed property assessment study was completed in 2005 which also identified that the District would not have sufficient funds to cover future expenditures unless revenues and/or expenditures were adjusted. Therefore the City implemented the following procedures to increase the assessment rates commencing in Fiscal Year 2007-08 for the Downtown Landscape Maintenance District.

- 1) Every property owner subject to the proposed assessment increase was mailed a ballot allowing the property owner to vote on whether to increase the assessments. A notice describing the assessment, the individual property owner's annual assessment rate, the duration of the assessment, the reason for the assessment and the basis upon which the assessment is calculated accompanied the ballots.
- 2) The ballots returned during the 45 days after mailing or before the close of the public input portion of the public hearing, were tabulated to determine whether a majority protest against the increase in assessment existed. The ballots were weighted by their proportionate amount of their total assessment.
- 3) Publicly owned properties are assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment are the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways, and that portion of public property that is not developed and used for business purposes similar to private commercial, industrial and institutional activities.
- 4) The City of Concord held a Public Hearing, June 5, 2007, to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, ballots were tabulated and it was found that 62.6% of the property owners returning ballots were in favor of the assessment, so the assessment increase for Fiscal Year 2007-08 and following years was authorized.
- 5) At the conclusion of the Public Hearing, the Concord City Council adopted Resolution No. 07-41 confirming the Downtown Landscape Maintenance District increase and the levy of assessments for Fiscal Year 2007-08.

Current Annual Administration

The costs of operation, maintenance and servicing of the improvements to be funded by the District will be apportioned to each parcel within the District in proportion to the special benefit it receives. The method of assessment may be amended from time to time by the City Council, in order to apportion the costs in relation to the benefits being received. However, if the assessments are increased from the prior year they will be subject to the noticing and balloting procedures referenced in Proposition 218.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report.

As required by the Landscaping and Lighting Act of 1972, this Engineer's Report describes the improvements to be constructed, operated, maintained and serviced by the District for FY 2016-17, provides an estimated budget for the District, and lists the proposed assessments to be levied upon each assessable lot or parcel within the District.

The City will hold a Public Hearing on June 7, 2016, to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified. Following the adoption of this resolution, the final assessor's roll will be prepared and filed with the Contra Costa County Auditor's office to be included on the FY 2016-17 tax roll.

SECTION II

ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF
LANDSCAPING AND LIGHTING ACT OF 1972
SECTION 22500 THROUGH 22679
OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

CITY OF CONCORD
DOWNTOWN LANDSCAPE MAINTENANCE DISTRICT

FISCAL YEAR 2016-17

Pursuant to the Landscaping & Lighting Act of 1972 (Part 2 of Division 15 of the Streets and Highways Code of the State of California, commencing with Section 22500) and in accordance with Resolution No. 16-22, accepting the Preliminary Engineer's Report, and the Resolution of Intention (ordering improvements and setting the Public Hearing Date), being Resolution No. 16-26 both adopted on April 26, 2016 by the City Council of the City of Concord, I, Joseph A. Francisco, the duly appointed Engineer of Work, Assessment Engineer for the Downtown Landscape Maintenance District ("District"), submit the following "Report" consisting of five (5) parts as follows:

PART A: PLANS AND SPECIFICATIONS

This part describes the improvements in the District. Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Concord, and are incorporated herein by reference.

PART B: ESTIMATE OF COST

This part contains an estimate of the cost of the proposed improvements for FY 2016-17, including incidental costs and expenses in connection therewith. This estimate is as set forth on the lists thereof, attached hereto, and is on file in the Office of the City Clerk of the City of Concord.

PART C: ASSESSMENT DISTRICT DIAGRAM

This part incorporates, by reference, a Diagram of the District showing the exterior boundaries of the District, the boundaries of any zones within the District, and the lines and dimensions of each lot or parcel of land within the District. This Diagram has been prepared by the Engineer of Work and is on file in the Office of the City Clerk of the City of Concord. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Contra Costa County Assessor for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

PART D: METHOD OF APPORTIONMENT OF ASSESSMENT

This part describes the method of apportionment of assessments, based upon the parcel's size, and front footage within the District, in proportion to the estimated benefits to be received.

PART E: PROPERTY OWNER LIST & ASSESSMENT ROLL

This part contains an assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the District. The Assessment Roll is filed in the Office of the Concord City Clerk and is incorporated as Appendix "A" in this Report. The list is keyed to the records of the Contra Costa County Assessor, which are incorporated herein by reference.

PART A

PLANS AND SPECIFICATIONS

The facilities, which have been constructed within the City of Concord's Downtown Landscape Maintenance District boundaries, and those which may be subsequently constructed, will be operated, maintained and serviced as generally described as follows:

DESCRIPTION OF IMPROVEMENTS

The following improvements are proposed to be operated, maintained and serviced in the City of Concord's Downtown Landscape Maintenance District for FY 2016-17:

The installation, maintenance and servicing of landscaping improvements(including street trees) located within the street right-of-way, including parkways, medians, public plazas, parking lots and other public places and rights-of-ways.

Maintenance means the furnishing of services and materials for the ordinary and usual operations, maintenance and servicing of the landscaping and appurtenant facilities, including repair, removal or replacement of all or part of landscaping or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; and the removal of trimmings, rubbish, debris and other solid waste. Servicing means the furnishing of water for the irrigation of the landscaping, or appurtenant facilities.

The plans and specifications for the improvements are on file in the Office of the Concord City Clerk.

PART B

ESTIMATE OF COST

The 1972 Act provides that the total cost of installation, construction, operation, maintenance and servicing of landscaping can be recovered by the District. Maintenance can include the repair and replacement of existing landscaping facilities. Servicing can include electrical and associated costs from a public utility. Incidental expenses, including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual collection process can also be included.

The operation, maintenance and servicing costs for Fiscal Year 2016-17 are summarized below. These cost estimates were provided by the City of Concord.

| TABLE I: COST ESTIMATE FY 2016-17 Downtown Landscape Maintenance District | | |
|--|--------------------|--------------------|
| | FY 2015-16 | FY 2016-17 |
| Fund Balance July 1 ⁽¹⁾ | \$ 1,431,376 | \$1,622,561 |
| | \$1,431,376 | \$1,622,561 |
| Add Revenues: | | |
| Assessments | \$ 367,424 | \$ 378,200 |
| City Contribution | \$ 343,384 | \$ 343,384 |
| Use of Money & Property | \$15,641 | \$15,641 |
| Total Revenues | \$726,449 | \$737,225 |
| Less Appropriations | | |
| Landscape Contract | \$125,570 | \$130,245 |
| Gas & Electricity | \$ 6,956 | \$ 6,956 |
| Water & Miscellaneous | \$37,607 | \$ 37,607 |
| Admin & General Services | \$ 343,384 | \$ 343,384 |
| Assessment Engineering | \$10,000 | \$10,000 |
| County Collection Fees | \$ 773 | \$ 773 |
| Printing, Publishing & Mailing | \$ 574 | \$ 574 |
| Consultant/Contract Services | \$ 5,464 | \$ 5,464 |
| Other Fixed Charges | \$ 4,936 | \$ 5,055 |
| Total Expenditures | \$535,264 | \$540,058 |
| Revenues Over (Under) Expenditures | | |
| Appropriations | \$191,185 | \$197,167 |
| Reserves | | |
| Contingency | \$ 54,000 | \$ 54,000 |
| Operating Reserves (50% maximum) ⁽²⁾ | \$ 267,632 | \$ 270,029 |
| | \$ 321,632 | \$ 324,029 |
| Fund Balance on June 30 | \$1,300,929 | \$1,495,699 |

¹ FY 2016-17 starting Fund Balance equals the FY 2015-16 ending fund balance plus the FY 2015-16 Reserves.

² Because the City receives the FY 2016-17 assessment revenue in late December 2016 and late April 2017, the City needs to ensure it has at least 50% operating reserves to cover the period from July 1, 2016 through December 31, 2016.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by the assessments shall be used only for the purpose as stated herein. A contribution to the Downtown Landscape Maintenance District may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements and operating reserves.

PART C

ASSESSMENT DISTRICT DIAGRAM

The Concord Downtown Landscape Maintenance District includes the parcels of land located within the downtown area of the City of Concord that benefit from landscaping within the boundaries of the District. In order to accurately assess properties within the District based upon the special benefits they receive from the improvements, four (4) distinct benefit zones have been created.

Todos Santos Plaza Benefit Zone: All parcels located within the Todos Santos Benefit Zone are located near Todos Santos Plaza and benefit from the operation and maintenance of Todos Santos Plaza.

Streetscape Benefit Zone: All parcels located within the Streetscape Benefit Zone have streetscape landscaping located directly adjacent to their parcel which is being maintained by the District. These parcels benefit from the operation and maintenance of landscaping and street trees which are located adjacent to their parcel.

Collector Street Median Benefit Zone: Most parcels located within the Meridian Park area are located in the Collector Street Median Benefit Zone and benefit from the operation and maintenance of the landscaping medians located adjacent to and near their parcel.

Thoroughfare Median Benefit Zone: All parcels located within the Concord Downtown Landscape Maintenance District are included in the Thoroughfare Median Benefit Zone and benefit from the operation and maintenance of landscape medians along Willow Pass Road, Concord Avenue and Clayton Road.

In FY 2007-08 the Downtown Landscape Maintenance District benefit zones were adjusted due to the fact that additional landscaping had been added over the years and to ensure all benefiting parcels are assessed. The benefit zones had not been modified since the District was created by the Engineer of Work, Leptien, Cronin, Cooper, Inc. in Fiscal Year 1984-85. All assessable parcels are identified by the Contra Costa County Assessor's Parcel Numbers, for the current fiscal year on the Assessment Roll. A detailed description of the lines and dimensions for various lots or parcels within the district are incorporated by reference to maps on file at the Contra Costa County Assessor's Office.

The Assessment District boundaries and benefit zones are shown on the Assessment Diagram, which is on file with the City Clerk and a reduced copy is shown on the following pages.

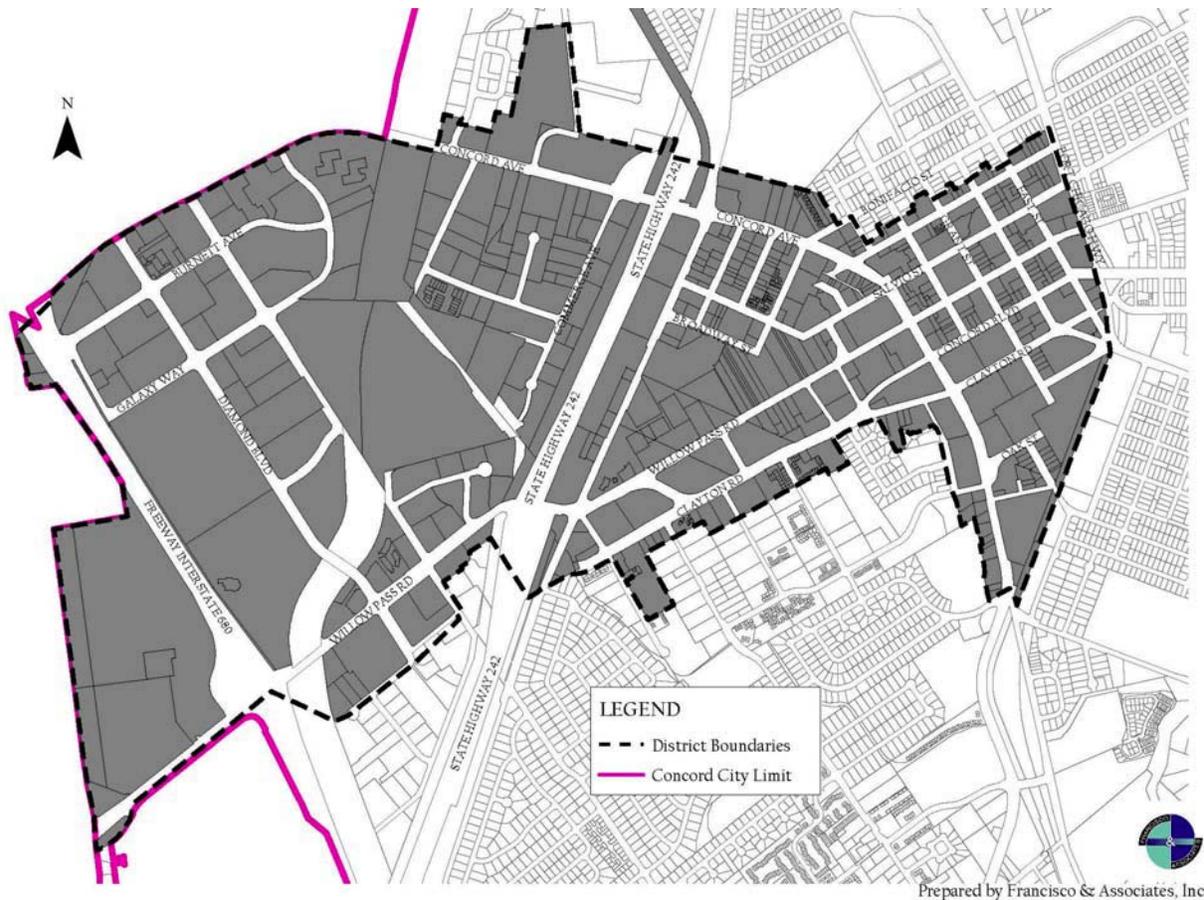


FIGURE I: DISTRICT BOUNDARIES
(all parcels w/in Thoroughfare Median Benefit Zone)



FIGURE 2:
TODOS SANTOS PLAZA ZONE

FIGURE 3:
COLLECTOR MEDIAN ZONE

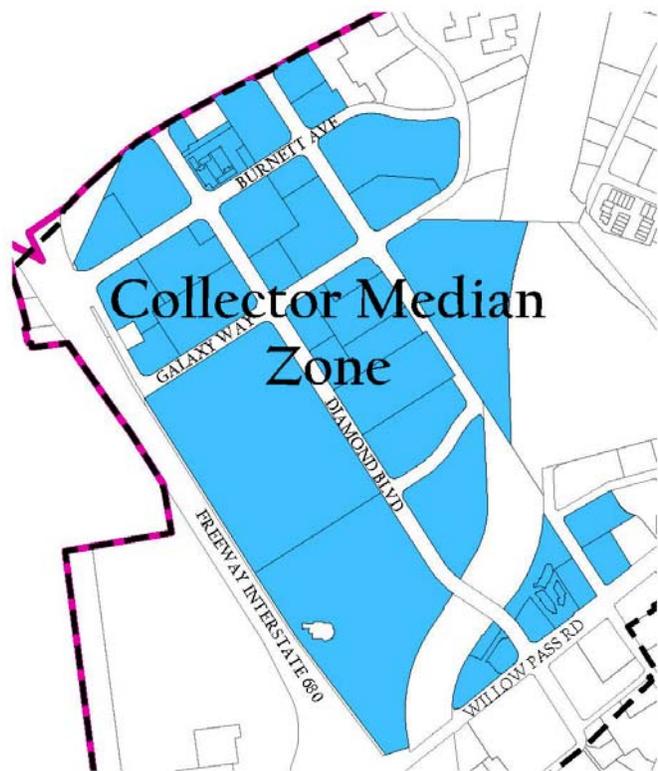


FIGURE 4:
STREETSCAPE ZONE



PART D

METHOD OF APPORTIONMENT OF ASSESSMENT

GENERAL

Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of assessment districts by Agencies for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping and street lighting improvements.

Section 22573 of the Landscaping and Lighting Act of 1972 requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

"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 benefit to be received by each such lot or parcel from the improvements."

"The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000)) [of the Streets and Highways Code, State of California]."

In addition, Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property.

Because assessments are levied on the basis of special benefit, they are considered a "Special" Assessment, not a tax, and therefore, are not governed by Article XIII A of the California Constitution.

The 1972 Act permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement" (Sec. 22574). Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax."

Article XIII D provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways, and that portion of public property that is not developed and used for business purposes similar to private commercial, industrial and institutional activities.

LANDSCAPING BENEFIT DETERMINATION

Trees, landscaping and hardscaping, if well maintained, provide beautification, shade and the enhancement of the desirability of surroundings. These improvements attract patrons and residents to the downtown area thereby stimulating and improving the economic viability of the downtown businesses and residences. These improvements provide special and direct benefits to each property located within the boundaries of the Maintenance District.

The City of Concord also recognizes that the landscaping improvements provide residual benefit to properties located outside the District’s boundaries. This residual or general benefit will be paid for by the City’s general fund on an annual basis. The table below shows the landscape maintenance costs within each benefit zone and the amount of general and special benefit associated with each zone. The general benefit costs will be paid for by the City and a portion of the special benefit costs will be paid for by property owners located within each benefit zone based upon the assessment spread methodology described below.

| TABLE 2: MAINTENANCE COST ALLOCATION BY BENEFIT ZONE | | | | | |
|--|---------------------------------|--------------------------|--------------------------------------|----------------------------------|---|
| | Todos Santos Plaza Benefit Zone | Streetscape Benefit Zone | Collector Street Median Benefit Zone | Thoroughfare Median Benefit Zone | Total Proposed Expenditures for Fiscal Year 2016-17 |
| Landscape Maintenance Costs | \$250,243 | \$80,978 | \$45,557 | \$163,279 | \$540,058 |
| Est. General Benefit % | 10.00% | 5.00% | 10.00% | 22.50% | |
| Est. Special Benefit % | 90.00% | 95.00% | 90.00% | 77.50% | |
| Required City Contribution - General Benefit | \$25,024 | \$4,049 | \$4,556 | \$36,738 | \$70,367 |
| Actual City Contribution | \$137,584 | \$44,433 | \$38,177 | \$123,189 | \$343,384 |
| Interest Eamed From Fund Balances | \$6,267 | \$2,024 | \$1,739 | \$5,611 | \$15,641 |
| Assessment Revenue Needed from the District | \$190,504 | \$61,920 | \$24,857 | \$100,919 | \$378,200 |
| Total | \$334,355 | \$108,377 | \$64,774 | \$229,720 | \$737,225 |

BENEFIT ZONE CLASSIFICATION

Because of the varying types and location of the landscape improvements located throughout the District four (4) distinct benefit zones have been established. These benefit zones consist of the Todos Santos Plaza Benefit Zone, Streetscape Benefit Zone, Collector Street Median Benefit Zone, and Thoroughfare Median Benefit Zone. Because the parcels located within each benefit zone directly benefit from the operation and maintenance of the landscape improvements within their respective benefit zones they are fiscally responsible for the operation and maintenance of those improvements.

The parcels located within the Todos Santos Plaza Benefit Zone are responsible for the operation and maintenance of Todos Santos Plaza. The parcels located within the Streetscape Benefit Zone are responsible for the operation and maintenance of the street trees and roadway landscaping located directly adjacent to their parcel. The parcels located within the Collector Street Median Benefit Zone (Meridian Park Area) are responsible for the operation and maintenance of the landscaped medians located adjacent to or near their parcel. All parcels located within the District are located within the Thoroughfare Median Benefit Zone and are

responsible for the operation and maintenance of the landscaped medians located along Willow Pass Road, Concord Avenue and Clayton Road.

The Benefit Zones are shown on the Assessment Diagram located in Part C of this Report.

ASSESSMENT SPREAD METHODOLOGY

Todos Santos Plaza

The cost for operating and maintaining Todos Santos Plaza is distributed to each non-residential parcel within the Todos Santos Plaza Benefit Zone proportionately based on their respective parcel area. The cost for operating and maintaining Todos Santos Plaza is distributed to each residential parcel (Single Family, Multi-Family, Condominiums) within the Todos Santos Plaza Benefit Zone based upon each parcel's number of residential units.

In Fiscal Year 2016-17 it is estimated that \$190,504 in assessment revenue will be needed to operate and maintain the landscape improvements located within the Todos Santos Plaza Benefit Zone. There are 3,560,244 square feet of assessable parcel area for the non-residential parcels and 1,172 assessable units for the residential parcels. Therefore the FY 2016-17 annual assessment rate is **\$0.048644 per square feet of parcel area for non-residential parcels and \$14.778043 per unit for residential parcels.**

Streetscape Landscaping

In Fiscal Year 2016-17 it is estimated that \$61,920 will be needed to operate and maintain the landscape improvements located within the Streetscape Benefit Zone. There are 41,970 linear feet of assessable parcel frontage within the benefit zone. Therefore the FY 2016-17 annual assessment rate is **\$1.475341 per linear foot.**

Collector Street Median Benefit Zone

The costs for operating and maintaining the landscaping medians along the collector streets within the Meridian Park area are distributed to all parcels located within the Collector Street Median Benefit Zone as follows:

- 1) 1/3 of the costs are distributed only to parcels that generally front the street that has the median landscaping based on their proportionate front footage.
- 2) 2/3 of the costs are distributed to each parcel within the entire Collector Street Median Zone based on their proportionate parcel area.

In Fiscal Year 2016-17 it is estimated that \$24,857 will be needed to operate and maintain the landscape median improvements located within the Collector Street Median Benefit Zone. There are 19,477 linear feet of assessable parcel frontage and 6,832,996 square feet of assessable parcel area. Therefore the FY 2016-17 annual assessment rate is **\$0.419081 per linear foot and \$0.002443 per square foot.**

Thoroughfare Median Benefit Zone

The costs for operating and maintaining the landscaping medians along Concord Avenue, Willow Pass Road and Clayton Road are distributed to all parcels located within the District as follows:

- 1) 1/3 of the costs are distributed only to parcels that generally front the street that has the median landscaping based on their proportionate front footage.
- 3) 2/3 of the costs are distributed to each parcel within the entire District based on their proportionate parcel area.

In Fiscal Year 2016-17 it is estimated that \$100,919 will be needed to operate and maintain the landscape median improvements located within the Thoroughfare Median Benefit Zone. There are 32,476 linear feet of assessable parcel frontage and 27,309,886 square feet of assessable parcel area. Therefore the FY 2016-17 annual assessment rates are \$1.036310 per linear foot and \$0.002463 per square foot.

The assessment rates may be increased each fiscal year by the prior year's change in the Consumer Price Index (CPI) not to exceed 5%. The Consumer Price Index (CPI) is based upon the San Francisco All Urban Wage Earners and Clerical Workers as of February 2015 which was 249.809. The most current CPI available at the time this report was prepared was the February 2016 CPI which was 257.141. Therefore the assessment rates have been increased 2.94% over the FY 2015-16 rates.

PART E

PROPERTY OWNER LIST & ASSESSMENT ROLL

The FY 2016-17 Assessment Roll is included in Appendix A of this report and is on file in the Office of the Concord City Clerk. The list of names and addresses of the owners of the parcels located within the City of Concord's Downtown Landscape Maintenance District is shown on the FY 2016-17 equalized Property Tax Roll of the Contra Costa County Assessor, which is hereby made a part of this report. This list of names and addresses of the owners is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll.

The total proposed assessment for FY 2016-17 is \$378,199.98.

PROPERTY OWNER APPEALS OF SPECIAL ASSESSMENT LEVIES

Any Property Owner claiming that the amount or application of the Special Assessment is not correct and requesting a refund may file a written notice of appeal and refund to that effect with the Public Works Director not later than one calendar year after having paid the Special Assessment that is disputed. The Public Works Director shall promptly review the appeal, and if necessary, meet with the Property Owner, consider written and oral evidence regarding the amount of the Special Assessment, and decide the appeal. If the Public Works Director's decision requires that the Special Assessment be modified or changed in favor of the Property Owner, a refund shall be made or an adjustment may be made to the next Annual Special Assessment levy. Any dispute over the decision of the Public Works Director shall be referred to the City Council and the decision of the City Council shall be final. This procedure shall be exclusive and its exhaustion by any Property Owner shall be a condition precedent to any legal action by such owner.

APPENDIX "A"
FY 2016-17
ASSESSMENT ROLL
(on file with the City Clerk)



CITY OF CONCORD

PINE HOLLOW ESTATES LANDSCAPE & LIGHTING MAINTENANCE DISTRICT



Fiscal Year 2016-17
Final Engineer's Report

June 7, 2016

Prepared by:
Francisco & Associates, Inc.
130 Market Place, Suite 160
San Ramon, CA 94583



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CITY COUNCIL MEMBERS AND CITY STAFF

Laura M. Hoffmeister
Mayor

Ronald E. Leone
Vice Mayor

Edi E. Birsan
Council Member

Timothy S. Grayson
Council Member

Daniel C. Helix
Council Member

Valerie J. Barone
City Manager

Jovan Grogan
Deputy City Manager

Joelle Fockler
City Clerk

Susanne Brown
City Attorney

Francisco & Associates, Inc.
Assessment Engineer

ENGINEER'S REPORT

CITY OF CONCORD
PINE HOLLOW ESTATES LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT

The undersigned, acting on behalf of Francisco & Associates, respectfully submits the enclosed Engineer's Report as directed by the City of Concord City Council pursuant to the provisions of Article XIIIID, Section 4 of the California Constitution, and the Landscaping and Lighting Act of 1972, Sections 22500 seq. of the California Streets and Highways Code. The undersigned certifies that he is a Professional Engineer, registered in the State of California.

Dated: May 4, 2016

Engineer of Work



Joseph A. Francisco, P. E.
R.C.E. No. 40688

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on the ____ day of _____, 2016.

Joelle Fockler, City Clerk
City of Concord
Contra Costa County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the Council of the City of Concord, Contra Costa County, California, on the _____ day of _____, 2016.

Joelle Fockler, City Clerk
City of Concord
Contra Costa County, California

SECTION I

INTRODUCTION
ENGINEER'S REPORT

CITY OF CONCORD
PINE HOLLOW ESTATES LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT

FISCAL YEAR 2016-17

Current Annual Administration

To ensure a flow of funds for the construction, operation, maintenance and servicing of specified improvements within the boundaries of the City of Concord; the City Council will renew the City of Concord's Pine Hollow Estates Landscape and Lighting Maintenance District ("District") this fiscal year. The boundaries of the District are shown on the Assessment Diagram and incorporated in this report as Part "C".

The District was formed in 1986 pursuant to Resolution No. 86-89 of the City Council under the provisions of Part 2 of Division 15 of the California Streets and Highways Code, Sections 22500 through 22679.

The costs of operation, maintenance and servicing of the improvements to be funded by the District will be apportioned to each parcel within the District in proportion to the special benefit it receives. The method of assessment may be amended from time to time by the City Council, in order to apportion the costs in relation to the benefits being received. However, if the assessments are increased from the prior year they will be subject to the noticing and balloting procedures referenced in Proposition 218.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report.

As required by the Landscaping and Lighting Act of 1972, this Engineer's Report describes the improvements to be constructed, operated, maintained and serviced by the District for FY 2016-17, provides an estimated budget for the District, and lists the proposed assessments to be levied upon each assessable lot or parcel within the District.

The City will hold a Public Hearing on June 7, 2016 to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified. Following the adoption of this resolution, the final assessor's roll will be prepared and filed with the Contra Costa County Auditor's office to be included on the FY 2016-17 tax roll.

SECTION II

ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF
LANDSCAPING AND LIGHTING ACT OF 1972
SECTION 22500 THROUGH 22679
OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

CITY OF CONCORD
PINE HOLLOW ESTATES LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT

FISCAL YEAR 2016-17

Pursuant to the Landscaping & Lighting Act of 1972 (Part 2 of Division 15 of the Streets and Highways Code of the State of California, commencing with Section 22500) and in accordance with Resolution No. 16-23, accepting the Preliminary Engineer's Report, and the Resolution of Intention (ordering improvements and setting the Public Hearing Date), being Resolution No. 16-27, both adopted on April 26, 2016 by the City Council of the City of Concord, I, Joseph A. Francisco, the duly appointed Engineer of Work, Assessment Engineer for the Concord Pine Hollow Estates Landscape & Lighting Maintenance District ("District"), submit the following "Report" consisting of five (5) parts as follows:

PART A: PLANS AND SPECIFICATIONS

This part describes the improvements in the District. Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Concord, and are incorporated herein by reference.

PART B: ESTIMATE OF COST

This part contains an estimate of the cost of the proposed improvements for FY 2016-17, including incidental costs and expenses in connection therewith, as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Concord.

PART C: ASSESSMENT DISTRICT DIAGRAM

This part incorporates, by reference, a Diagram of the District showing the exterior boundaries of the District, the boundaries of any zones within the District, and the lines and dimensions of each lot or parcel of land within the District. This Diagram has been prepared by the Engineer of Work and is on file in the Office of the City Clerk of the City of Concord. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Contra Costa County Assessor for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

PART D: METHOD OF APPORTIONMENT OF ASSESSMENT

This part describes the method of apportionment of assessments based upon the parcel classification of land within the District, and in proportion to the estimated benefits to be received.

PART E: PROPERTY OWNER LIST & ASSESSMENT ROLL

This part contains an assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the District. The Assessment Roll is filed in the Office of the Concord City Clerk and is incorporated within this Report as Appendix "B".

PART A

PLANS AND SPECIFICATIONS

The facilities, which have been constructed within the City of Concord's Pine Hollow Estates Landscape and Lighting Maintenance District boundaries, and those which may be subsequently constructed, will be operated, maintained and serviced as generally described as follows:

DESCRIPTION OF IMPROVEMENTS

The following improvements are proposed to be operated, maintained and serviced in the Pine Hollow Estates Landscape and Lighting Maintenance District for Fiscal Year 2016-17:

Landscaping in center island medians, streetscapes, parks, landscaped easements, and appurtenant structures (i.e.: retaining walls) located within the District boundaries.

Services include, but are not limited to: personnel, electrical energy, utilities such as water, materials, contractual services, grading, clearing, removal of debris, installation or construction of curbs, gutters, walls, sidewalks, paving, irrigation, drainage, hardscapes, trees, furnishings such as pots, bollards, tree grates, and appurtenant facilities as required to provide an aesthetically pleasing environment throughout the District; and other items necessary for the maintenance or servicing or both including the facilities described below.

Maintenance means the furnishing of services and materials for the ordinary and usual operations, maintenance and servicing of the landscaping, public park facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping, public park or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; and the removal of trimmings, rubbish, debris and other solid waste. Servicing means the furnishing of water for the irrigation of the landscaping, and recreational facilities or appurtenant facilities.

PART B

ESTIMATE OF COST

The 1972 Act provides that the total cost of installation, construction, operation, maintenance and servicing of landscaping and appurtenant facilities can be recovered by the District. Maintenance can include the repair and replacement of existing facilities. Servicing can include electrical and associated costs from a public utility. Incidental expenses, including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual collection process can also be included.

The operation, maintenance and servicing costs for Fiscal Year 2016-17 are summarized below. These cost estimates were provided by the City of Concord.

| TABLE I: COST ESTIMATE FY 2016-17 Pine Hollow Estates Landscape and Lighting Maintenance District | | |
|--|------------|------------|
| | FY 2015-16 | FY 2016-17 |
| Fund Balance July 1 ⁽¹⁾ | \$509,951 | \$494,501 |
| | \$509,951 | \$494,501 |
| Add Revenues: | | |
| Assessments | \$61,677 | \$61,677 |
| Use of Money & Property | \$5,018 | \$5,018 |
| Total Revenues | \$66,695 | \$66,695 |
| Less Appropriations | | |
| Landscape Contract | \$25,800 | \$25,728 |
| Landscape Extra Work | \$10,612 | \$10,612 |
| City Staff Time | \$1,437 | \$1,437 |
| Gas & Electricity | \$1,012 | \$1,012 |
| Capital Replacement Reserve ** | \$15,270 | \$15,270 |
| Water & Miscellaneous | \$24,122 | \$24,122 |
| Assessment Engineering | \$3,000 | \$3,072 |
| Printing, Publishing & Mailing | \$481 | \$481 |
| County Collection Fees | \$411 | \$441 |
| Other Fixed Charges | \$0 | \$0 |
| Total Expenditures | \$82,145 | \$82,175 |
| Revenues Over (Under) | | |
| Appropriations | (\$15,450) | (\$15,480) |
| Reserves | | |
| Contingency | \$8,000 | \$8,000 |
| Operating Reserves (50% maximum) ⁽²⁾ | \$41,073 | \$41,088 |
| Capital Replacement Reserve Balance ⁽³⁾ | \$225,742 | \$241,012 |
| | \$274,815 | \$290,100 |
| Fund Balance on June 30 | \$219,686 | \$188,921 |

¹ FY 2016-17 starting Fund Balance equals the FY 2015-16 ending fund balance plus the FY 2015-16 Reserves.

² Because the City receives the FY 2016-17 assessment revenue in late December 2016 and late April 2017, the City needs to ensure it has at least 50% operating reserves to cover the period from July 1, 2016 through December 31, 2016.

³ Refer to Appendix 'A' for the Capital Replacement Reserve Summary.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by the assessments shall be used only for the purpose as stated herein. A contribution to the Pine Hollow Estates Landscape & Lighting Maintenance District may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements and operating reserves.

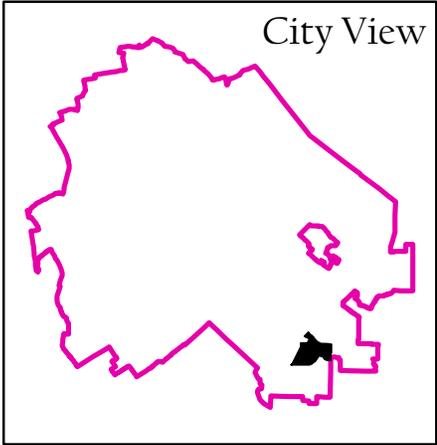
PART C

ASSESSMENT DISTRICT DIAGRAM

The boundaries of the City of Concord's Pine Hollow Estates Landscape and Lighting Maintenance District are on file in the Office of the City Clerk of the City of Concord and are incorporated in this Report on the following page.

A detailed description of the lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Contra Costa County Assessor's Office for FY 2016-17.

City of Concord Pinehollow Landscape & Lighting Maintenance District



- LEGEND**
-  Pine Hollow Estates
 -  District Boundary
 -  Concord City Limit



PART D

METHOD OF APPORTIONMENT OF ASSESSMENT

GENERAL

Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of assessment districts by Agencies for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping and street lighting improvements.

Section 22573 of the Landscaping and Lighting Act of 1972 requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

"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 benefit to be received by each such lot or parcel from the improvements."

"The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000) [of the Streets and Highways Code, State of California]."

In addition, Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property.

Because assessments are levied on the basis of benefit, they are considered a user's fee, not a tax, and, therefore, are not governed by Article IIIA of the California Constitution.

The 1972 Act permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement" (Sec. 22574). Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax."

Article XIII D provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

BENEFIT ZONE CLASSIFICATION

The City of Concord's Pine Hollow Estates Landscape and Lighting Maintenance District was formed to provide a funding source for the operation, maintenance and servicing of landscaping improvements within the boundaries of the District. All parcels within the District benefit from the subdivision landscaping. In addition to the landscaping throughout the Pine Hollow area, homeowners in Vista Point requested additional landscaping and therefore, receive additional benefit from these improvements. A special benefit zone was created to allocate the costs for the increased maintenance of Vista Point's landscaping. Assessments for the Vista Point benefit zone were collected annually for 5 years beginning in FY 1996-97 and are no longer being levied.

LANDSCAPING BENEFIT DETERMINATION

Trees, parks, landscaping and hardscaping, if well maintained, provide beautification, shade and the enhancement of the desirability of the surroundings, thereby providing a special benefit. These improvements provide special and direct benefits to each property located within the District. The improvements within the District are as follows:

Pine Hollow Benefit Zone:

The Pine Hollow Benefit Zone has 425 parcels of which 401 are designated as single-family residential and 24 are designated as open space or utility right-of-way. Each single-family residential parcel within the district is assessed based on the special benefit it receives from the operation, maintenance and servicing of the landscaping improvements. Open space parcels or utility right-of-way receive no benefit, therefore they are not assessed.

ASSESSMENT METHODOLOGY/BENEFIT NEXUS

The total operation, maintenance and servicing costs for the landscaping and greenbelt improvements are apportioned to each parcel in proportion to the size in square feet of the dwelling as originally built compared to the total square footage of the dwellings originally constructed within the district. Table 2 below indicates the assessment rates per benefit zone.

| Table 2: Assessment Rate Per Benefit Zone | | | | |
|---|---------------------------|------------------------|-------------------------|------------------------|
| Benefit Zone | Assessable No. of Parcels | Total Building Sq. Ft. | Total Assessment Amount | Rate Per Bldg. Sq. Ft. |
| Pine Hollow | 401 | 730,094.00 | \$61,676.72 | 0.08448 |

PART E

PROPERTY OWNER LIST & ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels within the City of Concord's Pine Hollow Estates Landscape and Lighting Maintenance District is shown on the last equalized Property Tax Roll of the Contra Costa County Assessor, which is hereby made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the Office of the Concord City Clerk

The proposed assessments and the amount of assessments for FY 2016-17 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, are on file in the Office of the City Clerk. The description of each lot or parcel is part of the records of the Contra Costa County Assessor and these records are, by reference, made part of this Report.

The total proposed assessment for FY 2016-17 is \$61,676.72.

The Assessment Roll for FY 2016-17 is included in Appendix "B" of this Report.

APPENDIX “A”

ESTIMATED CAPITAL REPLACEMENT RESERVE SUMMARY

| Estimated Capital Replacement Reserve Summary | | | | | | | | |
|---|------------------|--------------|---------------------|----------------|-------------------|--|-----------------------------------|--|
| | Quantity Unit | Unit Cost | Replacement Cost | Useful Life | Remaining Life | Estimated Reserve As Of 6/30/16 | Reserve Added In FY 2016/17 | Projected Reserve as of 6/30/17 |
| Pathway | 4,800 SF | \$15.00 | \$72,000 | 20 | 5 | \$39,776 | \$2,691 | \$42,467 |
| Parking Lots | 1,886 SF | \$15.00 | \$28,290 | 20 | 5 | \$15,629 | \$1,057 | \$16,686 |
| Utility Retaining Structure (Redwood) | 2,790 LF | \$100.00 | \$279,000 | 20 | Varies | \$154,132 | \$10,426 | \$164,558 |
| Tot Lot/Other | 1 Each | \$40,000.00 | \$40,000 | 20 | 9 | \$16,205 | \$1,096 | \$17,301 |
| TOTAL AMOUNT TO ADD THIS YEAR | | | \$419,290 | | | \$225,742 | \$15,270 | \$241,012 |

APPENDIX “B”

FY 2016-17

ASSESSMENT ROLL

(on file with the City Clerk)



CITY OF CONCORD

LANDSCAPING & LIGHTING MAINTENANCE DISTRICT NO. 3

(Kirkwood, Ygnacio Woods, Balhan Terrace, Valley Terrace)



Fiscal Year 2016-17
Final Engineer's Report

June 7, 2016

Prepared by:
Francisco & Associates, Inc.
130 Market Place, Suite 160
San Ramon, CA 94583



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CITY COUNCIL MEMBERS AND CITY STAFF

Laura M. Hoffmeister
Mayor

Ronald E. Leone
Vice Mayor

Edi E. Birsan
Council Member

Timothy S. Grayson
Council Member

Daniel C. Helix
Council Member

Valerie J. Barone
City Manager

Jovan Grogan
Deputy City Manager

Joelle Fockler
City Clerk

Susanne Brown
City Attorney

Francisco & Associates, Inc.
Assessment Engineer

SECTION I

INTRODUCTION

ENGINEER'S REPORT

CITY OF CONCORD
CITY OF CONCORD LANDSCAPING & LIGHTING
MAINTENANCE DISTRICT NO. 3

FISCAL YEAR 2016-17

To ensure a flow of funds for the construction, operation, maintenance and servicing of specified improvements within the boundaries of the City of Concord; the City Council will renew the City of Concord Landscaping & Lighting Maintenance District No. 3 (The "District") this fiscal year. The boundaries of the District are shown on the Assessment Diagram and incorporated in this report as "Part C". Because of the varying degrees of operation and maintenance for each improvement type throughout the District, four (4) specific benefit zones have been created. These zones are necessary to accurately track the operation and maintenance costs for each improvement type.

Background Information

The District was formed on June 25, 1979 pursuant to Resolution No. 79-6202 of the City Council under the provisions of Part 2 of Division 15 of the California Streets and Highways Code, Sections 22500 through 22679.

On November 5, 1996, California voters approved Proposition 218, entitled "Right to Vote On Taxes Act", which added Articles XIIC and XIID to the California Constitution. While its title refers only to taxes, Proposition 218 established new procedural requirements for the formation and administration of assessment districts. Proposition 218 also required that with certain specified exceptions, beginning July 1, 1997 all existing, new or increased assessments shall comply with Article XIID.

In Fiscal Year 2005-06 the City of Concord determined that the Ygnacio Woods benefit zone, required an increase from \$142.86/parcel to \$210.86/parcel (plus an annual CPI increase not to exceed 3%/year) to ensure that the assessment revenues would be sufficient to cover projected maintenance expenses. To comply with the requirements of Proposition 218, the City implemented the following procedures:

- 1) Every property owner subject to the proposed assessment increase was mailed a ballot allowing the property owner to vote on whether to increase the assessments. The ballots were accompanied by a public notice describing the total assessment, the individual property owner's assessment, the reason for the assessment, and the general basis upon which the assessment was calculated.

- 2) The ballots returned during the 45 days after mailing or before the close of the public input portion of the public hearing, were tabulated to determine whether a majority protest against the increase in assessment existed. The ballots were weighted by the increased assessment amount.
- 3) The City of Concord held a Public Hearing, June 7, 2005, to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, ballots were tabulated and it was found that 85% of the property owners returning ballots were in favor of the assessment, so the assessment increase for Fiscal Year 2005-06 and following years was levied.
- 4) At the conclusion of the Public Hearing, the Concord City Council adopted Resolution No. 05-49 confirming the Ygnacio Woods increase and the levy of assessments for Fiscal Year 2005-06.

Annual Administration of the Assessment District

The costs of operation, maintenance and servicing of the improvements to be funded by the District will be apportioned to each parcel within the District in proportion to the special benefit it receives. The method of assessment may be amended from time to time by the City Council, in order to apportion the costs in relation to the benefits being received. However, if the assessments are increased from the prior year they will be subject to the noticing and balloting procedures referenced in Proposition 218.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report.

As required by the Landscaping and Lighting Act of 1972, this Engineer's Report describes the improvements to be constructed, operated, maintained and serviced by the District for FY 2016-17, provides an estimated budget for the District, and lists the proposed assessments to be levied upon each assessable lot or parcel within the District.

The City will hold a Public Hearing on June 7, 2016, to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified. Following the adoption of this resolution, the final assessor's roll will be prepared and filed with the Contra Costa County Auditor's office to be included on the FY 2016-17 tax roll.

SECTION II

ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF
LANDSCAPING AND LIGHTING ACT OF 1972
SECTION 22500 THROUGH 22679
OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

CITY OF CONCORD LANDSCAPING & LIGHTING
MAINTENANCE DISTRICT NO. 3

FISCAL YEAR 2016-17

Pursuant to the Landscaping & Lighting Act of 1972 (Part 2 of Division 15 of the Streets and Highways Code of the State of California, commencing with Section 22500) and in accordance with Resolution 16-24, accepting the Preliminary Engineer's Report, and the Resolution of Intention (ordering improvements & setting the Public Hearing Date), being Resolution No. 16-28, both adopted on April 26, 2016 by the City Council of the City of Concord, I, Joseph A. Francisco, the duly appointed Engineer of Work, Assessment Engineer for the Concord Landscaping & Lighting Maintenance District No. 3 District ("District"), submit the following "Report" consisting of five (5) parts as follows:

PART A: PLANS AND SPECIFICATIONS

This part describes the improvements in the District. Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Concord, and are incorporated herein by reference.

PART B: ESTIMATE OF COST

This part contains an estimate of the cost of the proposed improvements for FY 2016-17, including incidental costs and expenses in connection therewith, as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Concord.

PART C: ASSESSMENT DISTRICT DIAGRAM

This part incorporates, by reference, a Diagram of the District showing the exterior boundaries of the District, the boundaries of any zones within the District, and the lines and dimensions of each lot or parcel of land within the District. This Diagram has been prepared by the Engineer of Work and is on file in the Office of the City Clerk of the City of Concord. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Contra Costa County Assessor for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

PART D: METHOD OF APPORTIONMENT OF ASSESSMENT

This part describes the method of apportionment of assessments based upon the parcel classification of land within the District, and in proportion to the estimated benefits to be received.

PART E: PROPERTY OWNER LIST & ASSESSMENT ROLL

This part contains a list of the estimated cost of improvements on each benefited lot or parcel of land within the District. The Assessment Roll is incorporated within this report as Appendix "A" and is filed in the Office of the City Clerk of the City of Concord.

PART A

PLANS AND SPECIFICATIONS

The facilities, which have been constructed within the City of Concord’s Landscaping & Lighting Maintenance District No. 3 boundaries, and those which may be subsequently constructed, will be operated, maintained and serviced as generally described as follows:

DESCRIPTION OF IMPROVEMENTS

The following improvements are proposed to be operated, maintained and serviced in the City of Concord’s Landscaping & Lighting Maintenance District No. 3 for Fiscal Year 2016-17:

Landscaping in center island medians, streetscapes, landscaped easements, street lighting and appurtenant facilities located within the District boundaries.

Services include, but are not limited to: personnel; electrical energy; utilities such as water; materials; contractual services; grading; clearing; removal of debris; installation or construction of curbs, gutters, walls, sidewalks, paving, street lights, irrigation, drainage, hardscapes, trees, furnishings such as pots, bollards, tree grates, and appurtenant facilities as required to provide an aesthetically pleasing environment throughout the District; and other items necessary for the maintenance, servicing or both including the facilities described below.

The street lighting system which will be operated, maintained and serviced by the District consists of the street lights and appurtenant facilities including, but not limited to poles, fixtures, bulbs, conduits, equipment including guys, anchors, posts, pedestals, and metering devices as required to provide safe lighting within the boundaries of the District.

Maintenance means the furnishing of services and materials for the ordinary and usual operations, maintenance and servicing of the landscaping, street lighting and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping, street lighting, or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; and the removal of trimmings, rubbish, debris and other solid waste. Servicing means the furnishing of water for the irrigation of the landscaping, and the maintenance of any street lighting facilities or appurtenant facilities and the furnishing of electric current or energy, gas or other illuminating agent for the street lighting, or appurtenant facilities.

The plans and specifications for the improvements are on file in the Office of the City Clerk of the City of Concord.

PART B

ESTIMATE OF COST

The 1972 Act provides that the total cost of installation, construction, operation, maintenance and servicing of landscaping and street lighting can be recovered by the District. Maintenance can include the repair and replacement of existing facilities. Servicing can include electrical and associated costs from a public utility. Incidental expenses, including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual collection process can also be included.

The operation, maintenance and servicing costs for each benefit zone for Fiscal Year 2016-17 are summarized below. These cost estimates were provided by the City of Concord.

| TABLE I: KIRKWOOD COST ESTIMATE FY 2016-17 Landscaping and Lighting Maintenance District No. 3 | | |
|---|-----------------|-----------------|
| | FY 2015-16 | FY 2016-17 |
| Fund Balance July 1 ⁽¹⁾ | \$168,725 | \$137,093 |
| | \$168,725 | \$137,093 |
| Add Revenues: | | |
| Assessments | \$19,020 | \$19,020 |
| State Augmentation | \$40,000 | \$40,000 |
| Use of Money & Property | \$1,651 | \$1,651 |
| Total Revenues | \$60,671 | \$60,671 |
| Less Appropriations | | |
| Landscape Contract | \$24,665 | \$24,665 |
| Maintenance & Repairs | \$5,202 | \$5,202 |
| Water | \$33,229 | \$33,229 |
| Gas & Electricity | \$749 | \$749 |
| Capital Replacement ⁽²⁾ | \$23,975 | \$2,000 |
| Assessment Engineering | \$2,634 | \$2,634 |
| Printing, Publishing & Mailing | \$1,030 | \$1,030 |
| County Collection Fees | \$819 | \$819 |
| Total Expenditures | \$92,303 | \$70,328 |
| Revenues Over (Under) | | |
| Appropriations | (\$31,632) | (\$9,657) |
| Reserves | | |
| Contingency | \$9,000 | \$7,000 |
| Operating Reserves (50% maximum) ⁽³⁾ | \$46,152 | \$35,164 |
| Capital Replacement Reserve Balance | \$22,000 | \$26,000 |
| | \$77,152 | \$68,164 |
| Fund Balance on June 30 | \$59,941 | \$59,272 |

¹ FY 2016-17 starting Fund Balance equals the FY 2015-16 ending fund balance plus the FY 2015-16 Reserves.

² In 2015 the Kirkwood pedestrian path was repaved for \$21,975. The path is 5 foot wide and 1,500 feet long.

³ Because the City receives the FY 2016-17 assessment revenue in late December 2016 and late April 2017, the City needs to ensure it has at least 50% operating reserves to cover the period from July 1, 2016 through December 31, 2016.

In Fiscal Year 2007-08 a “Capital Reserve Fund” was established to provide for the funding of Capital Replacement of items such as the removal of Pine Trees or a Rain Sensor for the sprinklers.

| TABLE 2: YGNACIO WOODS COST ESTIMATE FY 2016-17 Landscaping and Lighting Maintenance District No. 3 | | |
|--|-----------------|-----------------|
| | FY 2015-16 | FY 2016-17 |
| Fund Balance July 1 ⁽¹⁾ | \$42,215 | \$44,357 |
| | \$42,215 | \$44,357 |
| Add Revenues: | | |
| Assessments | \$9,276 | \$9,549 |
| Other Revenues | \$0 | \$0 |
| Use of Money & Property | \$430 | \$430 |
| Total Revenues | \$9,706 | \$9,979 |
| | | |
| Less Appropriations | | |
| Landscape Contract | \$2,002 | \$2,002 |
| Landscape Extra Work | \$0 | \$0 |
| Landscape Supplies | \$1,104 | \$1,104 |
| Maintenance & Repairs | \$373 | \$373 |
| Water | \$3,496 | \$3,496 |
| Gas & Electricity | \$311 | \$311 |
| Assessment Engineering | \$209 | \$209 |
| Printing, Publishing & Mailing | \$37 | \$37 |
| County Collection Fees | \$32 | \$32 |
| Other Fixed Charges | \$0 | \$0 |
| Total Expenditures | \$7,564 | \$7,564 |
| | | |
| Revenues Over (Under) | | |
| Appropriations | \$2,142 | \$2,415 |
| | | |
| Reserves | | |
| Contingency | \$ 1,000 | \$ 1,000 |
| Operating Reserves (50% maximum) ⁽²⁾ | \$3,782 | \$3,782 |
| | \$4,782 | \$ 4,782 |
| | | |
| Fund Balance on June 30 | \$39,575 | \$41,990 |

¹ FY 2016-17 starting Fund Balance equals the FY 2015-16 ending fund balance plus the FY 2015-16 Reserves.

² Because the City receives the FY 2016-17 assessment revenue in late December 2016 and late April 2017, the City needs to ensure it has at least 50% operating reserves to cover the period from July 1, 2016 through December 31, 2016.

| TABLE 3: BALHAN TERRACE COST ESTIMATE FY 2016-17 Landscaping and Lighting Maintenance District No. 3 | | |
|---|-----------------|-----------------|
| | FY 2015-16 | FY 2016-17 |
| Fund Balance July 1 ⁽¹⁾ | \$13,308 | \$13,484 |
| | \$13,308 | \$13,484 |
| Add Revenues: | | |
| Assessments | \$0 | \$0 |
| State Augmentation | \$762 | \$762 |
| Use of Money & Property | \$133 | \$133 |
| Total Revenues | \$895 | \$895 |
| Less Appropriations | | |
| Landscape Contract | \$0 | \$0 |
| Electrical Utilities | \$666 | \$666 |
| Assessment Engineering | \$38 | \$38 |
| Printing, Publishing & Mailing | \$15 | \$15 |
| Total Expenditures | \$719 | \$719 |
| Revenues Over (Under) | | |
| Appropriations | \$176 | \$176 |
| Reserves | | |
| Contingency | \$100 | \$100 |
| Operating Reserves (50% maximum) ⁽²⁾ | \$360 | \$360 |
| | \$460 | \$460 |
| Fund Balance on June 30 | \$13,024 | \$13,200 |

¹ FY 2016-17 starting Fund Balance equals the FY 2015-16 ending fund balance plus the FY 2015-16 Reserves.

² Because the City receives the FY 2016-17 assessment revenue in late December 2016 and late April 2017, the City needs to ensure it has at least 50% operating reserves to cover the period from July 1, 2016 through December 31, 2016.

| TABLE 4: VALLEY TERRACE COST ESTIMATE FY 2016-17 Landscaping and Lighting Maintenance District No. 3 | | |
|---|------------------|------------------|
| | FY 2015-16 | FY 2016-17 |
| Fund Balance July 1 ⁽¹⁾ | \$137,848 | \$140,816 |
| | \$137,848 | \$140,816 |
| Add Revenues: | | |
| Assessments | \$0 | \$0 |
| State Augmentation | \$2,300 | \$2,300 |
| Use of Money & Property | \$1,395 | \$1,395 |
| Total Revenues | \$3,695 | \$3,695 |
| Less Appropriations | | |
| Electrical Utilities | \$503 | \$503 |
| Assessment Engineering | \$147 | \$147 |
| Printing, Publishing & Mailing | \$77 | \$77 |
| Total Expenditures | \$727 | \$727 |
| Revenues Over (Under) | | |
| Appropriations | \$2,968 | \$2,968 |
| Reserves | | |
| Contingency | \$100 | \$100 |
| Operating Reserves (50% maximum) ⁽²⁾ | \$364 | \$364 |
| | \$464 | \$464 |
| Fund Balance on June 30 | \$140,352 | \$143,320 |

¹ FY 2016-17 starting Fund Balance equals the FY 2015-16 ending fund balance plus the FY 2015-16 Reserves.

² Because the City receives the FY 2016-17 assessment revenue in late December 2016 and late April 2017, the City needs to ensure it has at least 50% operating reserves to cover the period from July 1, 2016 through December 31, 2016.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by the assessments shall be used only for the purpose as stated herein. A contribution to the Landscaping & Lighting Maintenance District No. 3 may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements and operating reserves.

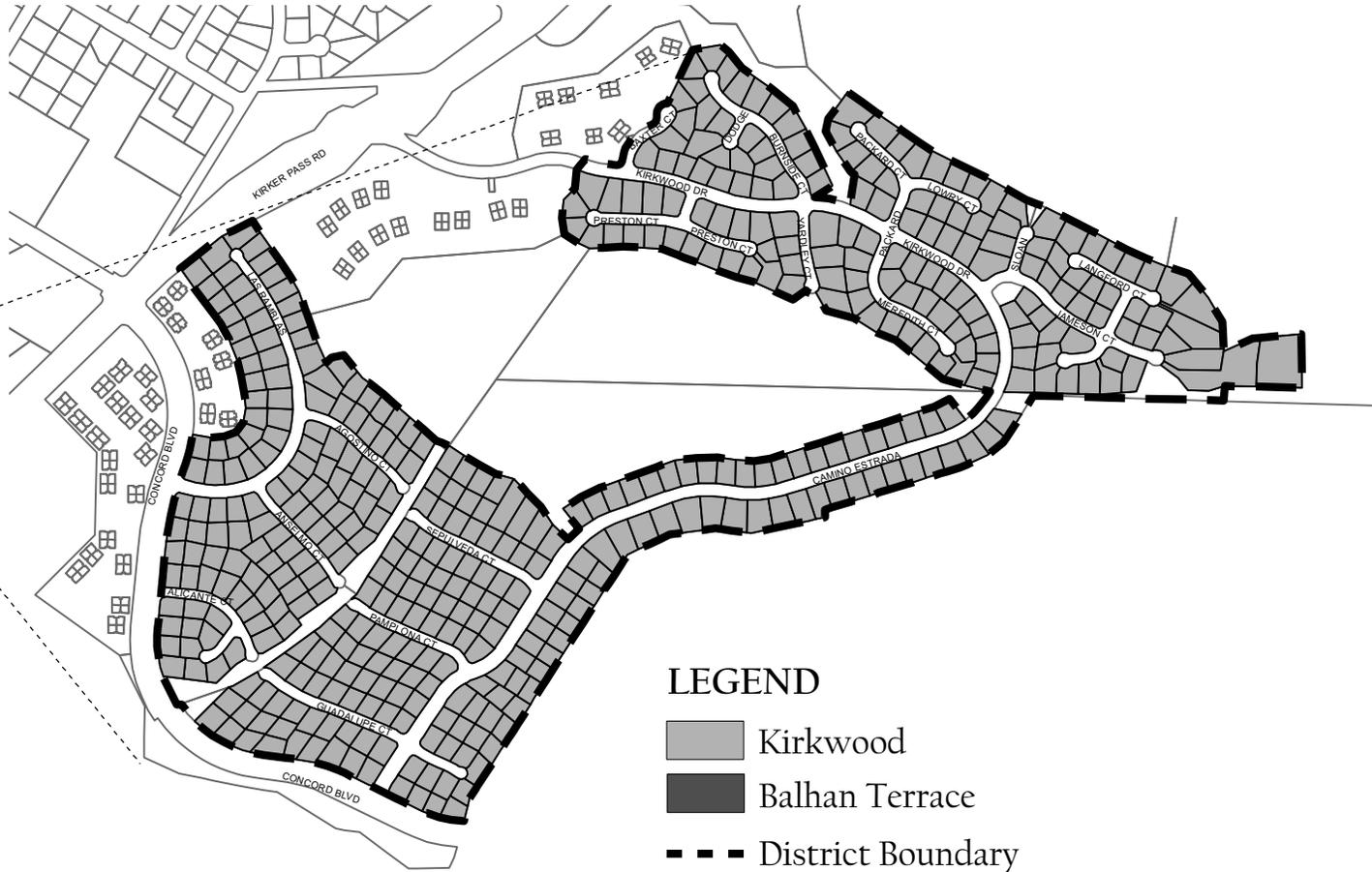
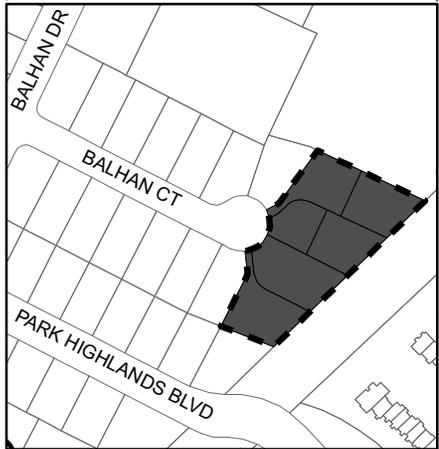
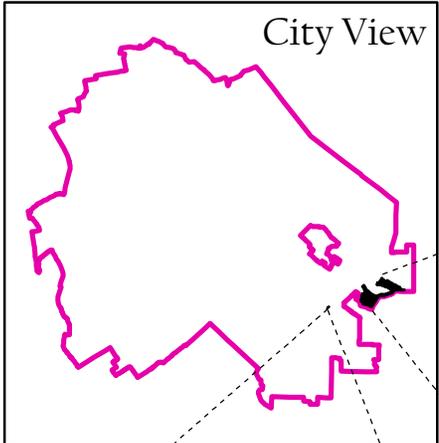
PART C

ASSESSMENT DISTRICT DIAGRAM

The boundaries of the City of Concord's Landscaping & Lighting Maintenance District No. 3 are on file in the Office of the City Clerk of the City of Concord and are incorporated in this Report by reference as shown on the following pages.

A detailed description of the lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Contra Costa County Assessor's Office for this FY 2016-17.

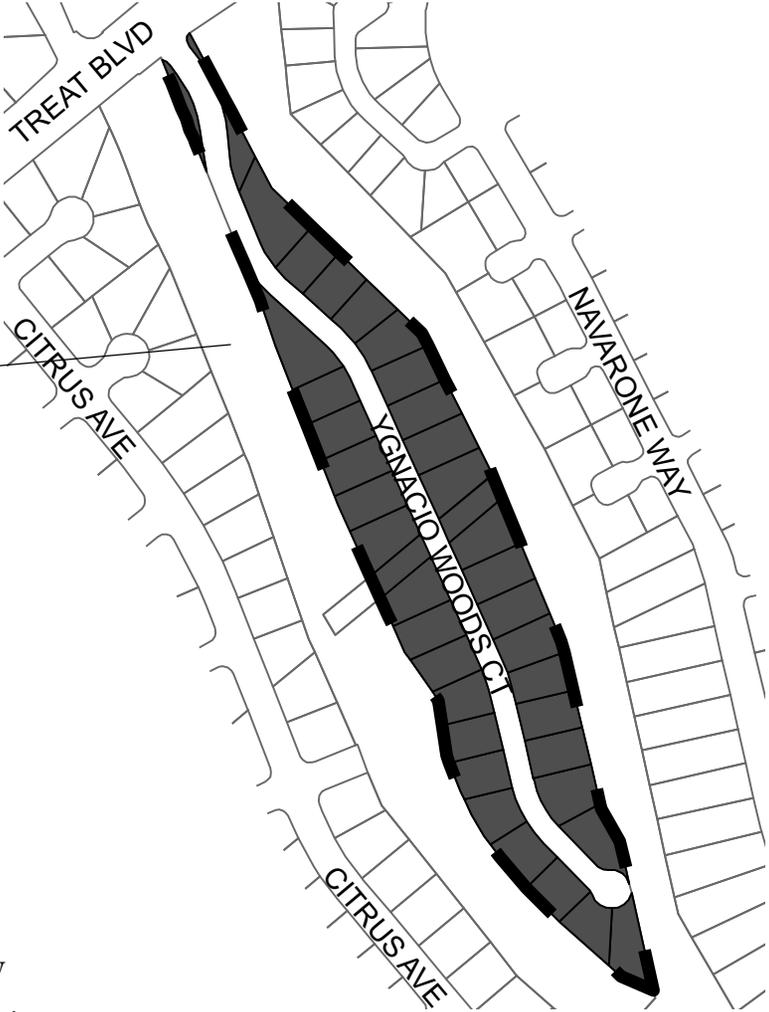
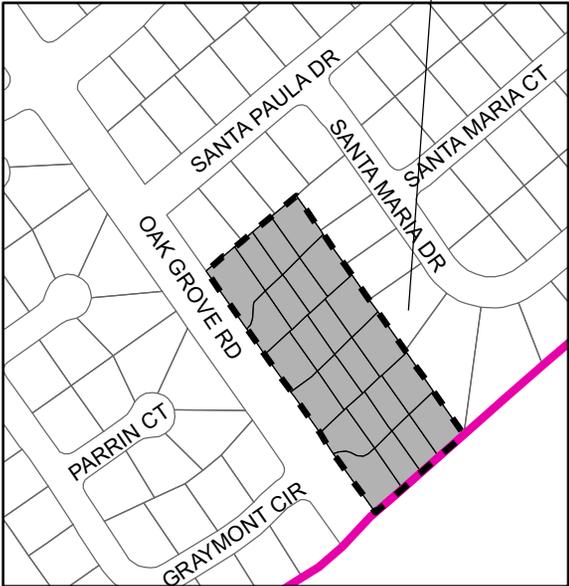
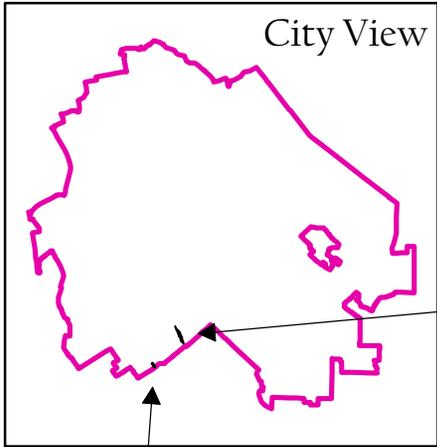
City of Concord Landscaping & Lighting Maintenance District No. 3 For Kirkwood and Balhan Terrace



- LEGEND**
-  Kirkwood
 -  Balhan Terrace
 -  District Boundary
 -  Concord City Limit



City of Concord Landscaping & Lighting Maintenance District No. 3 For Valley Terrace and Ygnacio Woods



- LEGEND**
-  Valley Terrace
 -  Ygnacio Woods
 -  District Boundary
 -  Concord City Limit



PART D

METHOD OF APPORTIONMENT OF ASSESSMENT

GENERAL

Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping and street lighting improvements.

Section 22573 of the Landscaping and Lighting Act of 1972 requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

"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 benefit to be received by each such lot or parcel from the improvements."

"The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000)) [of the Streets and Highways Code, State of California]."

In addition, Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property.

Because assessments are levied on the basis of benefit, they are considered a user's fee, not a tax, and, therefore, are not governed by Article XIII A of the California Constitution.

The 1972 Act permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement" (Sec. 22574). Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax."

Article XIII D provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

BENEFIT ZONE CLASSIFICATION

The City of Concord Landscaping & Lighting Maintenance District No. 3 was formed to provide a funding source for the operation, maintenance and servicing of landscaping, and street lighting improvements within the boundaries of the District. Because of the varying degrees of operation and maintenance for each improvement type throughout the District, four (4) specific benefit zones have been created. These zones are necessary to accurately track the operation and maintenance costs for each improvement type.

Parcels benefiting from landscaping improvements unique to each subdivision are located in the Kirkwood Benefit Zone and Ygnacio Woods Unit II Benefit Zone. Parcels benefiting from the street lighting improvements unique to each subdivision are located in the Valley Terrace Benefit Zone and Balhan Terrace Benefit Zone. Each of these zones has a separate and distinct level of service which is discussed in the Benefit Determination sections below.

LANDSCAPING BENEFIT DETERMINATION

Trees, landscaping and hardscaping, if well maintained, provide beautification, shade and the enhancement of the desirability of the surroundings, thereby providing a special benefit. These improvements provide special and direct benefits to each property located within the District. The improvements within the Maintenance District are as follows:

Kirkwood and Ygnacio Woods Unit II:

Improvements cover the cost of maintaining center island medians, greenbelts and roadside landscaping located within the public right-of-way or in landscape easement areas, including water, gas and electric expenses, administrative, engineering, printing, publishing and mailing costs and county collection fees.

STREET LIGHTING BENEFIT DETERMINATION

The proper functioning of street lighting is imperative for the welfare and safety of the property owners throughout each benefit zone. Proper operation, maintenance, and servicing of a street lighting system provides a special benefit to properties by providing increased illumination for ingress and egress, safe traveling at night, improved security, protection of property and the reduction in traffic accidents.

Balhan Terrace and Valley Terrace:

Improvements cover the cost of maintaining street lights located within the public right-of-way including electrical utility expenses, administrative, engineering, printing, publishing and mailing costs and county collection fees.

ASSESSMENT METHODOLOGY/BENEFIT NEXUS

The total operation, maintenance and servicing costs for the landscaping and street lighting improvements are apportioned in accordance with the number of residential units located within their respective benefit zones. Because the properties within each benefit zone are similar, each single-family parcel and multi-family unit receives equal benefit from the improvements, so costs are distributed equally.

Below is a table which indicates the number and types of parcels within each benefit zone.

| TABLE 5: PARCEL SUMMARY FY 2016-17 Landscaping & Lighting Maintenance District No. 3 | | | | | | | | |
|---|----------|-------|---------------|-------|----------------|-------|----------------|-------|
| Land Use | Kirkwood | | Ygnacio Woods | | Valley Terrace | | Balhan Terrace | |
| | Parcels | Units | Parcels | Units | Parcels | Units | Parcels | Units |
| Single Family | 468 | 468 | 35 | 35 | 24 | 24 | N/A | N/A |
| Multiple Dwelling Units | N/A | N/A | N/A | N/A | N/A | N/A | 6 | 13 |
| Totals | 468 | 468 | 35 | 35 | 24 | 24 | 6 | 13 |

Kirkwood:

The Kirkwood area has 468 single-family parcels. The assessment is divided equally among each single-family residential parcel.

Ygnacio Woods Unit II:

Ygnacio Woods Unit II has 35 single-family residential parcels. The assessment is divided equally among the 35 single-family residential parcels.

Valley Terrace:

Valley Terrace has 24 single-family residential parcels. The assessment is divided equally among the 24 single-family residential parcels.

Balhan Terrace:

Balhan Terrace has 13 residential units located on six (6) parcels of land. The assessment is spread to each parcel in proportion to the number of units located on that parcel.

For a description of the benefit zones refer to the Assessment District Diagram located in Part C of this Report. For a complete listing of the assessments by parcel number refer to Part E of this Report.

The table below indicates the assessment rates per parcel for each benefit zone. The Ygnacio Woods Zone assessment rate was approved at \$210.86 in FY 2005-06 and included a Consumer Price Increase (CPI) adjustment each fiscal year thereafter not to exceed 3%/year. The Consumer Price Index (CPI) is based upon the San Francisco All Urban Wage Earners and Clerical Workers as of June 2005 which was 197.5. The most current CPI available at the time this report was prepared was the February 2016 CPI which was 257.141. Therefore the assessment rates have been increased 2.94% over the FY 2015-16 rates.

| TABLE 6: ASSESSMENT RATE PER BENEFIT ZONE FY 2016-17 Landscaping & Lighting Maintenance District No. 3 | | | | |
|---|-------------|---------------|----------------|----------------|
| | Kirkwood | Ygnacio Woods | Valley Terrace | Balhan Terrace |
| Assessment Revenue | \$19,019.52 | \$9,548.70 | \$0 | \$0 |
| Total Number of Assessable Parcels or Units | 468 | 35 | 24 | 6 |
| Assessment Rate per EDU | \$40.64 | \$272.82 | \$0.00 | \$0.00 |

CPI & Assessment Rate Calculation for Ygnacio Woods

| <u>Fiscal Year</u> | <u>Date</u> | <u>Actual CPI</u> | <u>Applied Increase</u> | <u>Assessment Rate</u> |
|--------------------|-------------|-------------------|-------------------------|------------------------|
| | June-05 | 197.500 | | \$210.86 |
| FY2006-07 | February-06 | 202.500 | 2.53% | \$216.20 |
| FY2007-08 | February-07 | 208.803 | 3.00% | \$222.68 |
| FY2008-09 | February-08 | 214.913 | 2.93% | \$229.20 |
| FY2009-10 | February-09 | 216.797 | 0.88% | \$231.21 |
| FY2010-11 | February-10 | 222.049 | 2.42% | \$236.81 |
| FY2011-12 | February-11 | 226.638 | 2.07% | \$241.70 |
| FY2012-13 | February-12 | 234.648 | 3.00% | \$248.96 |
| FY2013-14 | February-13 | 240.262 | 2.39% | \$254.91 |
| FY2014-15 | February-14 | 245.148 | 2.03% | \$260.10 |
| FY2015-16 | February-15 | 249.809 | 1.90% | \$265.04 |
| FY2016-17 | February-16 | 257.141 | 2.94% | \$272.82 |

PART E

PROPERTY OWNER LIST & ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels within the City of Concord's Landscaping & Lighting Maintenance District No. 3 is shown on the last equalized Property Tax Roll of the Contra Costa County Assessor, which is hereby made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the Office of the Concord City Clerk

The proposed assessments and the amount of assessments for FY 2016-17 apportioned to each lot or parcel as shown on the latest roll at the Assessor's Office, are on file in the Office of the City Clerk. The description of each lot or parcel is a part of the records of the Contra Costa County Assessor and these records are, by reference, made part of this Report.

The total proposed assessment for the FY 2016-17 is \$19,019.52 for landscaping in the Kirkwood Benefit Zone; \$9,548.70 for landscaping in the Ygnacio Woods Unit II Benefit Zone; \$0.00 for street lighting in the Valley Terrace Benefit Zone; and \$0.00 for street lighting in the Balhan Terrace Benefit Zone.

APPENDIX "A"
FY 2016-17
ASSESSMENT ROLL
(on file with the City Clerk)



CITY OF CONCORD

CITYWIDE STREET LIGHTING ASSESSMENT DISTRICT



Fiscal Year 2016-17
Final Engineer's Report

June 7, 2016

Prepared by:
Francisco & Associates, Inc.
130 Market Place, Suite 160
San Ramon, CA 94583



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CITY COUNCIL MEMBERS AND CITY STAFF

Laura M. Hoffmeister
Mayor

Ronald E. Leone
Vice Mayor

Edi E. Birsan
Council Member

Timothy S. Grayson
Council Member

Daniel C. Helix
Council Member

Valerie J. Barone
City Manager

Jovan Grogan
Deputy City Manager

Joelle Fockler
City Clerk

Susanne Brown
City Attorney

Francisco & Associates, Inc.
Assessment Engineer

SECTION I
INTRODUCTION
ENGINEER'S REPORT
CITY OF CONCORD
CITYWIDE STREET LIGHTING ASSESSMENT DISTRICT
Fiscal Year 2016-17

Background Information

On November 5, 1996, California voters approved Proposition 218, entitled "Right to Vote On Taxes Act", which added Articles XIIC and XIID to the California Constitution. While its title refers only to taxes, Proposition 218 established new procedural requirements for the formation and administration of assessment districts. Proposition 218 also required that with certain specified exceptions, beginning July 1, 1997 all existing, new or increased assessments shall comply with Article XIID.

The City of Concord purchased the street light system from Pacific Gas & Electric in 2005 for a cost of \$1,200,000. The City now owns and operates the street light system and pays PG&E for electricity only.

In Fiscal Year 1997-98 the City of Concord determined that the assessments for the Citywide Street Lighting Assessment District, the "District", must be ratified by the property owners in order for them to be valid. To comply with the requirements of Proposition 218, the City implemented the following procedures:

- 1) Every property owner subject to the proposed assessment was mailed a ballot allowing the property owner to vote on whether to ratify the District. The ballots were accompanied by a public notice describing the total assessment, the individual property owner's assessment, the reason for the assessment, and the general basis upon which the assessment was calculated.
- 2) The ballots returned during the 45 days after mailing or before the close of the public input portion of the public hearing, were tabulated to determine whether a majority protest against the assessment existed. The ballots were weighted by the assessment amount.
- 3) Publicly owned properties (generally those which are developed similar to commercial/industrial use, as opposed to open space) are now being assessed.

- 4) The City of Concord held a Public Meeting, June 10, 1997, and a Public Hearing, June 17, 1997, to provide an opportunity for any interested person to be heard. At the Public Hearing, ballots were tabulated and it was found that the property owners returning ballots in favor of the assessment represented more than 50% (weighted by assessment amount), so the assessment for Fiscal Year 1997-98 and following years could be levied.
- 5) At the conclusion of the Public Hearing, the Concord City Council adopted Resolution No. 97-61, accepting the certification of the ballot results and Resolution No. 97-58 confirming the Citywide Street Lighting District and the levy of assessments for Fiscal Year 1997-98.

Current Annual Administration

As required by the 1972 Act, this Engineer's Report describes the improvements to be constructed, operated, maintained and serviced by the District for FY 2016-17 and provides an estimated budget for the District. It also lists the proposed assessments to be levied upon each assessable lot or parcel within the District.

The method of assessment may be amended from time to time by the City Council in order to apportion the costs in relation to the benefits being received. However, any increase in the assessments from the prior year will be subject to the applicable requirements of Proposition 218.

The Concord City Council will hold a Public Hearing on June 7, 2016, to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified. Following the adoption of this resolution, the final Assessor's roll will be prepared and filed with the County Auditor's office to be included on the FY 2016-17 tax roll.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this Report.

SECTION II

ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF
LANDSCAPING AND LIGHTING ACT OF 1972
SECTION 22500 THROUGH 22679
OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

CONCORD CITYWIDE STREET LIGHTING
ASSESSMENT DISTRICT

FISCAL YEAR 2016-17

Pursuant to the Landscaping & Lighting Act of 1972 (Part 2 of Division 15 of the Streets and Highways Code of the State of California, commencing with Section 22500) and in accordance with Resolution No. 16-25 accepting the Preliminary Engineer's Report, and the Resolution of Intention (ordering improvements and setting the Public Hearing Date), being Resolution No. 16-29 both adopted on April 26, 2016 by the City Council of the City of Concord, I, Joseph A. Francisco, the duly appointed Engineer of Work, Assessment Engineer for the Concord Citywide Street Lighting District ("District"), submit the following "Report" consisting of five (5) parts as follows:

PART A: PLANS AND SPECIFICATIONS

This part describes the improvements in the District. Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Concord, and are incorporated herein by reference.

PART B: ESTIMATE OF COST

This part contains an estimate of the cost of the proposed improvements for FY 2016-17, including incidental costs and expenses in connection therewith, as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk of the City of Concord.

PART C: ASSESSMENT DISTRICT DIAGRAM

This part incorporates, by reference, a Diagram of the District showing the exterior boundaries of the District, the boundaries of any zones within the District, and the lines and dimensions of each lot or parcel of land within the District. This Diagram has been prepared by the Engineer of Work and is on file in the Office of the City Clerk of the City of Concord. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Contra Costa County Assessor for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

PART D: METHOD OF APPORTIONMENT OF ASSESSMENT

This part describes the method of apportionment of assessments, based upon parcel classification of land within the District, in proportion to the estimated special benefits to be received.

PART E: PROPERTY OWNER LIST & ASSESSMENT ROLL

This part contains a list of the Contra Costa County Assessor's parcel numbers, and the net amount to be assessed upon benefited lands within the District for FY 2016-17. The Assessment Roll is filed in the Office of the Concord City Clerk and is incorporated in this Report by reference as Appendix "B". The list is keyed to the records of the Contra Costa County Assessor, which are incorporated herein by reference.

PART A

PLANS AND SPECIFICATIONS

The facilities, which have been constructed within the City of Concord's Citywide Street Lighting Assessment District boundaries, and those which may be subsequently constructed, will be operated, maintained and serviced as generally described as follows:

DESCRIPTION OF IMPROVEMENTS

The following improvements are proposed to be operated, maintained and serviced in the City of Concord's Citywide Street Lighting Assessment District for Fiscal Year 2016-17:

The installation, maintenance and servicing of public street lighting facilities located within the public right-of-way within the district.

Public street lighting facilities consist of pole mounted street lights within the public right-of-way of the City of Concord. Lighting facilities are intended to provide safety, security, and convenience for occupants, pedestrians and travelers. Services include, but are not limited to, personnel, electrical energy, and utilities for which are required to provide a safe lighting environment throughout the District, and other items necessary for the maintenance or servicing of the public lighting facilities.

The street lighting system appurtenant facilities include, but are not limited to poles, fixtures, bulbs, conduits, equipment including guys, anchors, posts, pedestals, and metering devices as required to provide safe lighting within the boundaries of the District.

Maintenance means the furnishing of services and materials for the ordinary and usual operations, maintenance and servicing of street lighting and appurtenant facilities, including repair, removal or replacement of all or part of any street lighting, or appurtenant facilities. Servicing means the maintenance of any street lighting facilities or appurtenant facilities and the furnishing of electric current or energy, gas or other illuminating agent for the street lighting, or appurtenant facilities.

The plans and specifications for the improvements are on file in the Office of the City Clerk of the City of Concord.

PART B

ESTIMATE OF COST

The 1972 Act provides that the total cost of installation, construction, operation, maintenance and servicing of street lighting can be recovered by the District. Maintenance can include the repair and replacement of existing facilities. Servicing can include electrical and associated costs from a public utility. Incidental expenses, including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual collection process can also be included.

The operation, maintenance and servicing costs for Fiscal Year 2016-17 are summarized below. These cost estimates were provided by the City of Concord.

| TABLE I: COST ESTIMATE FY 2016-17 Citywide Street Lighting Assessment District | | |
|---|-------------|-------------|
| | FY 2015-16 | FY 2016-17 |
| Fund Balance July 1 ⁽¹⁾ | \$1,884,401 | \$1,813,354 |
| | \$1,884,401 | \$1,813,354 |
| Add Revenues: | | |
| Assessments | \$1,043,414 | \$1,043,433 |
| Use of Money & Property | \$18,416 | \$18,416 |
| Total Revenues | \$1,061,830 | \$1,061,849 |
| Less Appropriations | | |
| Street Lighting (Electricity) | \$400,000 | \$400,000 |
| Street Lighting (Consult./Contract) | \$30,000 | \$30,000 |
| Street Lighting (Personnel) | \$201,500 | \$215,824 |
| Street Lighting (Supplies) | \$35,000 | \$40,000 |
| Assessment Engineering | \$16,500 | \$17,000 |
| County Collection Fees | \$33,000 | \$35,000 |
| Other Fixed Charges | \$32,080 | \$32,329 |
| Debt Service Lease Purchase Agreement | \$297,347 | \$306,267 |
| Loan Repayment w/Interest ⁽²⁾ | \$87,450 | \$83,475 |
| Total Expenditures | \$1,132,877 | \$1,159,895 |
| Revenues Over (Under) Expenditures | | |
| Appropriations | (\$71,047) | (\$98,046) |
| Reserves | | |
| Contingency ⁽³⁾ | \$75,000 | \$77,000 |
| Operating Reserves (50% maximum) ⁽⁴⁾ | \$566,439 | \$579,948 |
| | \$641,439 | \$656,948 |
| Fund Balance June 30 | \$1,171,915 | \$1,058,360 |

¹ FY 2016-17 starting Fund Balance equals the FY 2015-16 ending fund balance plus the FY 2015-16 Reserves.

² The street light system was purchased in 2005 for \$1.2 million. The District previously set aside \$522,000 toward the purchase. The General Fund has contributed \$200,000 and the remaining costs were funded through a \$477,000 loan from the Traffic Mgmt Fund (TSM). The \$477,000 TSM loan will be repaid over 6 years with interest beginning in FY 2011-12.

³ The contingency reserve is 10% of all appropriations (less debt service and loan repayments)

⁴ Because the City receives the FY 2016-17 assessment revenue in late December 2016 and late April 2017, the City needs to ensure it has at least 50% operating reserves to cover the period from July 1, 2016 through December 31, 2016.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by the assessments shall be used only for the purpose as stated herein. A contribution to the Citywide Street Lighting Assessment District may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements and operating reserves.

PART C

ASSESSMENT DISTRICT DIAGRAM

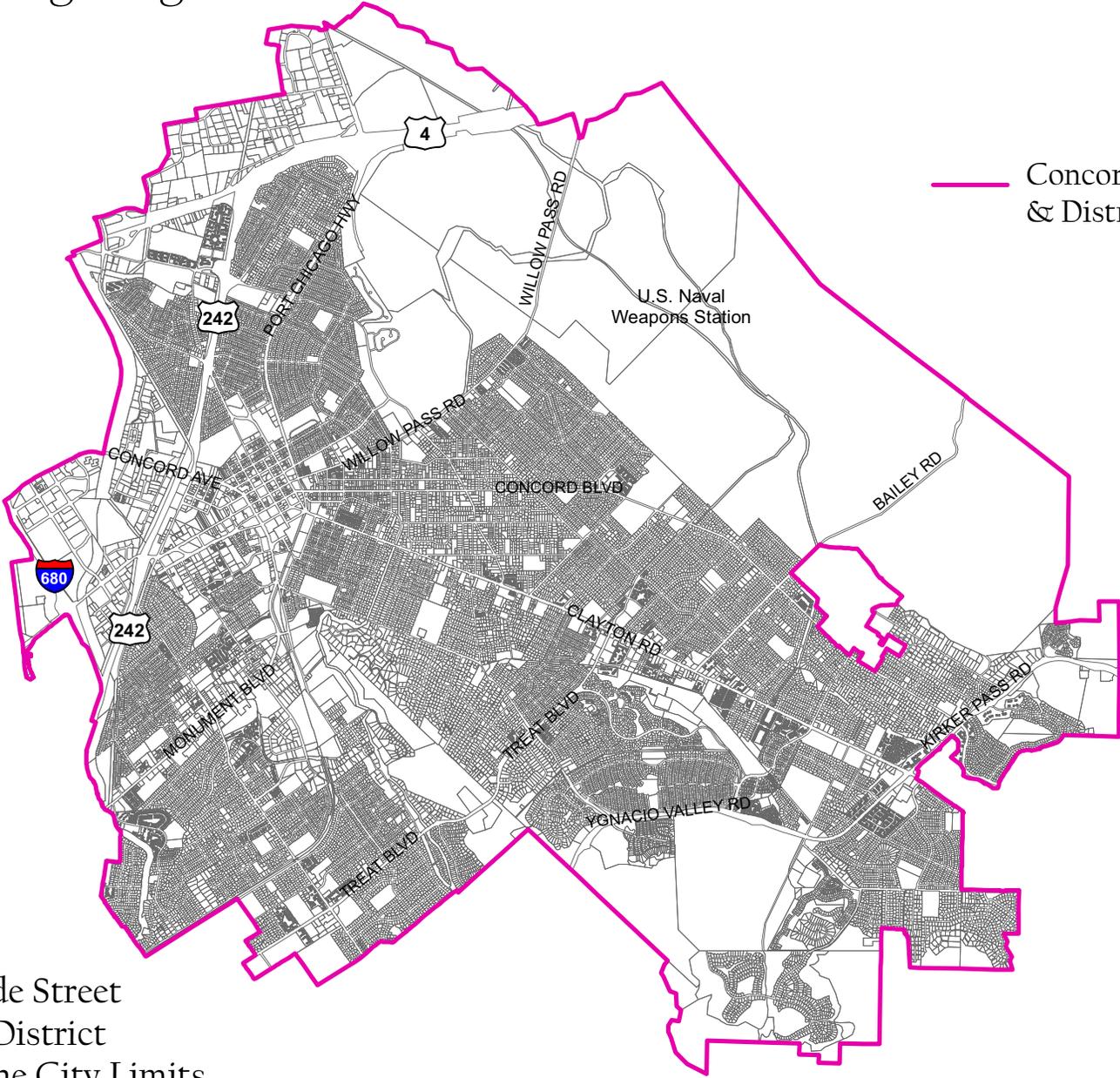
The Concord Citywide Street Lighting Assessment District includes all parcels of land within the incorporated limits (or as the incorporated limits may hereinafter be modified) of the City of Concord that benefit from street lights on public streets. The Assessment District boundaries are as indicated on the referenced Assessment Diagram. All included parcels are identified by the Contra Costa County Assessor's Parcel Numbers, for the current fiscal year, on the attached Assessor's Roll. A detailed description of lines and dimensions for various lots or parcels within the district are incorporated by reference to the parcel maps on file at the Contra Costa County Assessor's Office.

A copy of the Assessment Diagram is on file in the Office of the City Clerk of the City of Concord, and a reduced copy is included in this Report on the following page.

City of Concord Citywide Street Lighting Assessment District



— Concord City Limit
& District Boundary



NOTE:
Boundaries of Citywide Street Lighting Assessment District are contiguous with the City Limits.



PART D

METHOD OF APPORTIONMENT OF ASSESSMENT

GENERAL

Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of assessment districts by Agencies for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping and street lighting improvements.

Section 22573 of the Landscaping and Lighting Act of 1972 requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

"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 benefit to be received by each such lot or parcel from the improvements."

"The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000)) [of the Streets and Highways Code, State of California]."

In addition, Article XIID, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property.

Because assessments are levied on the basis of special benefit, they are considered a "Special" Assessment, not a tax, and therefore, are not governed by Article XIII A of the California Constitution.

The 1972 Act permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement" (Sec. 22574). Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax."

Article XIID provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways, and that portion of public property that is not developed and used for business purposes similar to private commercial, industrial and institutional activities.

STREET LIGHTING BENEFIT DETERMINATION

The proper functioning of street lighting is imperative for the welfare and safety of the property owners throughout the City. Proper operation, maintenance, and servicing of a street lighting system benefits properties by providing increased illumination for ingress and egress, safety traveling at night, improved security, protection of property and the reduction of traffic accidents.

The degree of benefit is determined by the use of each individual parcel, the intensity of illumination provided, the number of pedestrians generated and the enhanced security during hours of darkness. The single-family residential parcel is considered one unit of benefit (1.00 EDU). All other land uses have been analyzed to determine a benefit they receive from the intensity of illumination provided, the number of pedestrians generated by their property and the enhanced security to their property during hours of darkness.

ASSESSMENT METHODOLOGY/BENEFIT NEXUS

The total operation, maintenance and servicing costs for the street lighting improvements are apportioned in accordance with the methodology stated herein. The method for spreading the costs to each parcel is based on the Equivalent Dwelling Unit (EDU) factor.

The single-family residential parcel has been selected as the basic unit for the calculation of assessment since it represents approximately 72% of the parcels within the District. Therefore the single-family residential parcel is defined as one Equivalent Dwelling Unit (EDU). The methodology used to assign EDUs to the land uses in proportion to the benefit they receive relative to the single family residential parcel is based on the intensity of the street lighting illumination adjacent to the parcel, the amount of pedestrian traffic generated from the parcel, and the security received from the street lighting to the parcel.

Below is a sample survey of the FY 2016-17 Street Lighting Assessments.

| TABLE 2: TYPICAL ASSESSMENT RATES FY 2016-17 | | | | |
|--|-----------------|-----------------|-------------------------------|-----------------------|
| Citywide Street Lighting Assessment District | | | | |
| Land Use | Number of Units | Number of EDU's | FY 2016-17 Assessment per EDU | FY 2016-17 Assessment |
| Single Family | 1.00 | 1.00 | \$25.00 | \$25.00 |
| Condominiums | 1.00 | 0.50 | \$25.00 | \$12.50 |
| Apartments | 4.00 | 3.25 | \$25.00 | \$81.25 |
| Vacant Single Family | 1.00 | 0.50 | \$25.00 | \$12.50 |
| Commercial - Office Building | N/A | 3.00 | \$25.00 | \$75.00 |
| Commercial - Shopping Center | N/A | 20.00 | \$25.00 | \$500.00 |
| Industrial | N/A | 20.00 | \$25.00 | \$500.00 |
| Vacant Commercial/Industrial | N/A | 0.50 | \$25.00 | \$12.50 |

For a detailed description of the Equivalent Dwelling Unit factors by land use, refer to Appendix "A".

PART E

PROPERTY OWNER LIST & ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels within the City of Concord's Citywide Street Lighting Assessment District is shown on the last equalized Property Tax Roll of the Contra Costa County Assessor, which by reference is made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the Office of the Concord City Clerk.

The proposed assessments and the amount of assessments for Fiscal Year 2016-17 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, are on file in the Office of the City Clerk. The description of each lot or parcel is part of the records of the Contra Costa County Assessor and these records are, by reference, made part of this Report.

The total proposed assessment for the FY 2016-17 is \$1,043,433.08.

APPENDIX "A"
EQUIVALENT DWELLING UNITS BY PROPERTY CLASS

| <u>Classification</u> | <u>County Land Use Code</u> | <u>Intensity Factor</u> | <u>Pedestrian Factor</u> | <u>Security Factor</u> | <u>Total Equivalent Dwelling Units</u> |
|---|-----------------------------|-------------------------|--------------------------|------------------------|--|
| 1. Single Family Residential | | | | | |
| A. Single Family Homes | 11, 12, 13, 14, 19, 61 | 0.250 | 0.500 | 0.250 | 1.000 |
| B. Single Family Home on a Private Street | N/A | 0.250 | 0.500 | 0.000 | 0.750 |
| C. Condominiums | 16, 29 | 0.250 | 0.125 | 0.125 | 0.500 |
| 2. Multiple Family Residential | | | | | |
| A. Two | 21 | 0.250 | 1.000 | 0.500 | 1.750 |
| B. Three | 22, 24 | 0.250 | 2.250 | 0.500 | 3.000 |
| C. Four | 23 | 0.500 | 2.250 | 0.500 | 3.250 |
| D. Five to Twelve | 25 | 0.500 | 3.500 | 1.000 | 5.000 |
| E. Thirteen to Twenty-four | 26 | 0.750 | 4.000 | 1.250 | 6.000 |
| F. Twenty-five to Fifty-nine | 27 | 0.750 | 4.500 | 1.750 | 7.000 |
| G. Sixty or more | 28 | 1.000 | 5.000 | 2.000 | 8.000 |
| 3. Commercial | | | | | |
| A. Commercial stores | 31 | 1.000 | 2.000 | 1.000 | 4.000 |
| B. Small grocery stores | 32 | 1.000 | 2.000 | 1.000 | 4.000 |
| C. Office buildings | 33 | 1.000 | 1.000 | 1.000 | 3.000 |
| D. Medical-dental offices | 34 | 1.000 | 1.000 | 1.000 | 3.000 |
| E. Service stations | 35 | 1.000 | 2.000 | 1.000 | 4.000 |
| F. Garages | 36 | 1.000 | 0.500 | 1.000 | 2.500 |
| G. Recreational Clubs | 37 | 1.000 | 4.000 | 1.000 | 6.000 |
| H. Golf Courses | 38 | 1.000 | 1.000 | 1.000 | 3.000 |
| I. Bowling Alleys | 39 | 1.000 | 4.000 | 1.000 | 6.000 |
| J. Boat Harbors | 40 | 1.000 | 3.000 | 1.000 | 5.000 |
| K. Supermarkets | 41 | 1.000 | 6.000 | 1.000 | 8.000 |
| L. Shopping centers | 42 | 5.000 | 10.000 | 5.000 | 20.000 |
| M. Financial office buildings | 43 | 1.000 | 1.000 | 1.000 | 3.000 |
| N. Hotels, motels, mobile homes | 44 | 2.000 | 5.000 | 2.000 | 9.000 |
| O. Theaters | 45 | 2.000 | 2.000 | 2.000 | 6.000 |
| P. Drive-in restaurants | 46 | 1.000 | 3.000 | 1.000 | 5.000 |
| Q. Restaurants | 47 | 1.000 | 3.000 | 1.000 | 5.000 |
| R. Mixed multiple/commercial | 48 | 1.000 | 3.000 | 1.000 | 5.000 |
| S. Auto Agency | 49 | 1.000 | 3.000 | 1.000 | 5.000 |
| 4. Industrial | | | | | |
| A. Industrial parks | 51, 52 | 1.000 | 3.000 | 1.000 | 5.000 |
| B. Industrial | 53, 54, 56 | 5.000 | 10.000 | 5.000 | 20.000 |
| C. Warehouses | 55 | 1.000 | 3.000 | 1.000 | 5.000 |
| D. Unassigned (Pipeline R/W) | 59 | 0.000 | 0.000 | 0.000 | 0.000 |
| 5. Institutional | | | | | |
| A. Convalescent Hospitals | 70 | 1.000 | 1.000 | 1.000 | 3.000 |
| B. Churches | 71 | 0.500 | 1.000 | 0.500 | 2.000 |
| C. Schools | 72 | 0.500 | 1.000 | 0.500 | 2.000 |
| D. Hospitals | 73 | 1.000 | 1.000 | 1.000 | 3.000 |
| E. Cemeteries, Mortuaries | 74 | 0.250 | 0.500 | 0.250 | 1.000 |
| F. Fraternal & service organizations | 75 | 1.000 | 2.000 | 1.000 | 4.000 |
| G. Retirement housing complex | 76 | 1.000 | 1.000 | 1.000 | 3.000 |
| H. Cultural uses | 77 | 1.000 | 1.000 | 1.000 | 3.000 |
| I. Parks & playground | 78 | 0.000 | 0.000 | 0.000 | 0.000 |
| J. Government - owned buildings ⁽¹⁾ | 79 | 1.000 | 1.000 | 1.000 | 3.000 ⁽¹⁾ |
| 6. Miscellaneous Properties | | | | | |
| A. Vacant Land | 10, 15, 17, 18, 20, 30, | 0.250 | 0.000 | 0.250 | 0.500 |
| | 50, 60, 62, 63, 64, 65, | 0.250 | 0.000 | 0.250 | 0.500 |
| | 66, 67, 68, 69 | 0.250 | 0.000 | 0.250 | 0.500 |
| B. Mineral rights | 80 | 0.000 | 0.000 | 0.000 | 0.000 |
| C. Private roads | 81 | 0.125 | 0.250 | 0.125 | 0.500 |
| D. Pipelines & Canals | 82 | 0.000 | 0.000 | 0.000 | 0.000 |
| E. State Board assessed parcels (S.B.E.) ⁽¹⁾ | 83 | 1.000 | 1.000 | 1.000 | 3.000 ⁽¹⁾ |
| F. Utilities | 84 | 0.000 | 0.000 | 0.000 | 0.000 |
| G. Parking facilities | 85 | 0.500 | 1.000 | 1.000 | 2.500 |
| H. Municipal Properties ⁽¹⁾ | 86 | 1.000 | 1.000 | 1.000 | 3.000 ⁽¹⁾ |
| I. Common Areas | 87 | 0.000 | 0.000 | 0.000 | 0.000 |
| J. Mobile Homes ⁽²⁾ | 88 | 0.000 | 0.000 | 0.000 | 0.000 ⁽²⁾ |
| K. Split parcels in different tax code areas | 89 | 0.250 | 0.500 | 0.250 | 1.000 |
| L. Exempt Assignment | 99 | 0.000 | 0.000 | 0.000 | 0.000 |

⁽¹⁾ Only that portion of property that is developed for business purposes similar to commercial, industrial and institutional activities is assessed.

⁽²⁾ Individual mobile homes are not assessed only the underlying parcel is assessed.

APPENDIX “B”
FY 2016-17 ASSESSMENT ROLL
(on file with the City Clerk)

City of Concord
Special Revenue Fund
Downtown Landscape Maintenance District
Ten Year Projection
For the Fiscal Years Ending June 30, 2016 and 2017

| | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Fund Balance 7/01 | \$ 1,431,376 | \$ 1,615,141 | \$ 1,794,112 | \$ 1,971,419 | \$ 2,145,215 | \$ 2,315,749 | \$ 2,483,681 | \$ 2,648,874 | \$ 2,811,201 | \$ 2,973,340 |
| Revenue | | | | | | | | | | |
| Taxes | 360,004 | 360,004 | 360,004 | 360,004 | 360,004 | 360,004 | 360,004 | 360,004 | 360,004 | 360,004 |
| Other Revenues | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 |
| Use of Money & Property | 15,641 | 15,641 | 19,210 | 20,766 | 22,272 | 23,735 | 25,156 | 26,535 | 27,885 | 29,206 |
| Total Revenue | \$ 719,029 | \$ 719,029 | \$ 722,598 | \$ 724,154 | \$ 725,660 | \$ 727,123 | \$ 728,544 | \$ 729,923 | \$ 731,273 | \$ 732,594 |
| Expenditures | | | | | | | | | | |
| Landscape Maintenance | \$ 125,570 | \$ 130,245 | \$ 133,833 | \$ 137,224 | \$ 140,274 | \$ 142,580 | \$ 144,936 | \$ 147,333 | \$ 146,978 | \$ 149,420 |
| Gas & Electricity | 6,956 | 6,956 | 7,130 | 7,308 | 7,491 | 7,678 | 7,870 | 8,067 | 8,268 | 8,475 |
| Water & Miscellaneous | 37,607 | 37,607 | 38,547 | 39,511 | 40,499 | 41,511 | 42,549 | 43,613 | 44,703 | 45,820 |
| City Provided Admin. & General Services | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 | 343,384 |
| Assessment Engineering | 10,000 | 10,000 | 10,250 | 10,506 | 10,769 | 11,038 | 11,314 | 11,597 | 11,887 | 12,184 |
| County Collection Fees | 773 | 773 | 792 | 812 | 832 | 853 | 875 | 896 | 919 | 942 |
| Postage & Mailing | 574 | 574 | 588 | 603 | 618 | 634 | 649 | 666 | 682 | 699 |
| Consultant/Contract Services | 5,464 | 5,464 | 5,601 | 5,741 | 5,884 | 6,031 | 6,182 | 6,337 | 6,495 | 6,657 |
| Other Internal Service Charges | 4,936 | 5,055 | 5,166 | 5,269 | 5,375 | 5,482 | 5,592 | 5,703 | 5,818 | 5,934 |
| Total Expenditures | \$ 535,264 | \$ 540,058 | \$ 545,291 | \$ 550,358 | \$ 555,126 | \$ 559,191 | \$ 563,351 | \$ 567,596 | \$ 569,134 | \$ 573,515 |
| Revenue Over (Under) Expenditures | \$ 183,765 | \$ 178,971 | \$ 177,307 | \$ 173,796 | \$ 170,534 | \$ 167,932 | \$ 165,193 | \$ 162,327 | \$ 162,139 | \$ 159,079 |
| Contingency Reserve | \$ 54,000 | \$ 54,000 | \$ 55,000 | \$ 55,000 | \$ 56,000 | \$ 56,000 | \$ 56,000 | \$ 57,000 | \$ 57,000 | \$ 57,000 |
| Capital Projects | | | | | | | | | | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Capital Projects | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund Balance 6/30 | \$ 1,561,141 | \$ 1,740,112 | \$ 1,916,419 | \$ 2,090,215 | \$ 2,259,749 | \$ 2,427,681 | \$ 2,592,874 | \$ 2,754,201 | \$ 2,916,340 | \$ 3,075,419 |

City of Concord
Special Revenue Fund
Pine Hollow Landscape Maintenance District
Ten Year Projections
For the Fiscal Years Ending June 30, 2016 and 2017

| | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Fund Balance 7/01 | \$ 509,951 | \$ 494,491 | \$ 479,001 | \$ 461,116 | \$ 440,890 | \$ 418,248 | \$ 393,113 | \$ 365,408 | \$ 335,055 | \$ 301,973 |
| Revenue | | | | | | | | | | |
| Taxes | \$ 61,667 | \$ 61,667 | \$ 61,667 | \$ 61,667 | \$ 61,667 | \$ 61,667 | \$ 61,667 | \$ 61,667 | \$ 61,667 | \$ 61,667 |
| Use of Money & Property | 5,018 | 5,018 | 4,677 | 4,441 | 4,184 | 3,904 | 3,603 | 3,278 | 2,930 | 2,557 |
| Total Revenue | \$ 66,685 | \$ 66,685 | \$ 66,344 | \$ 66,108 | \$ 65,851 | \$ 65,571 | \$ 65,270 | \$ 64,945 | \$ 64,597 | \$ 64,224 |
| Expenditures | | | | | | | | | | |
| Landscape Contract | \$ 25,800 | \$ 25,728 | \$ 26,374 | \$ 27,037 | \$ 27,715 | \$ 28,412 | \$ 29,126 | \$ 29,857 | \$ 30,607 | \$ 31,376 |
| Landscape Extra Work | 10,612 | 10,612 | 10,877 | 11,149 | 11,428 | 11,714 | 12,007 | 12,307 | 12,614 | 12,930 |
| Contract Administration | 1,437 | 1,437 | 1,473 | 1,510 | 1,547 | 1,586 | 1,626 | 1,666 | 1,708 | 1,751 |
| Gas & Electricity | 1,012 | 1,012 | 1,037 | 1,063 | 1,090 | 1,117 | 1,145 | 1,174 | 1,203 | 1,233 |
| Capital Replacement Reserve | 15,270 | 15,270 | 15,652 | 16,043 | 16,444 | 16,855 | 17,277 | 17,709 | 18,151 | 18,605 |
| Water & Miscellaneous | 24,122 | 24,122 | 24,725 | 25,343 | 25,977 | 26,626 | 27,292 | 27,974 | 28,673 | 29,390 |
| Assessment Engineering | 3,000 | 3,072 | 3,146 | 3,221 | 3,299 | 3,378 | 3,459 | 3,542 | 3,627 | 3,714 |
| Printing, Publishing & Mailing | 481 | 481 | 493 | 505 | 518 | 531 | 544 | 558 | 572 | 586 |
| County Collection Fees | 411 | 441 | 452 | 463 | 475 | 487 | 499 | 511 | 524 | 537 |
| Total Expenditures | \$ 82,145 | \$ 82,175 | \$ 84,229 | \$ 86,334 | \$ 88,493 | \$ 90,706 | \$ 92,975 | \$ 95,298 | \$ 97,679 | \$ 100,122 |
| Revenue Over (Under) Expenditures | \$ (15,460) | \$ (15,490) | \$ (17,885) | \$ (20,226) | \$ (22,642) | \$ (25,135) | \$ (27,705) | \$ (30,353) | \$ (33,082) | \$ (35,898) |
| Contingency Reserve | \$ 8,000 | \$ 8,000 | \$ 8,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 10,000 | 9,000 | 10,000 |
| Fund Balance 6/30 | \$ 486,491 | \$ 471,001 | \$ 453,116 | \$ 431,890 | \$ 409,248 | \$ 384,113 | \$ 356,408 | \$ 325,055 | \$ 292,973 | \$ 256,075 |

City of Concord
Special Revenue Fund
Landscape & Lighting Maintenance District No. 3
Ten Year Projection
For the Years Ending June 30, 2016 and 2017

| | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Fund Balance 7/01 | \$ 362,926 | \$ 358,565 | \$ 354,388 | \$ 348,948 | \$ 342,259 | \$ 334,277 | \$ 324,952 | \$ 314,241 | \$ 302,100 | \$ 288,471 |
| Revenue | | | | | | | | | | |
| Taxes | \$ 71,368 | \$ 71,553 | \$ 72,414 | \$ 73,293 | \$ 74,189 | \$ 75,103 | \$ 76,034 | \$ 76,985 | \$ 77,955 | \$ 78,945 |
| Other Revenues | - | - | - | - | - | - | - | - | - | - |
| Use of Money & Property | 3,609 | 3,609 | 3,450 | 3,334 | 3,209 | 3,068 | 2,916 | 2,753 | 2,575 | 2,384 |
| Total Revenue | \$ 74,977 | \$ 75,162 | \$ 75,864 | \$ 76,627 | \$ 77,398 | \$ 78,171 | \$ 78,950 | \$ 79,738 | \$ 80,530 | \$ 81,329 |
| Expenditures | | | | | | | | | | |
| Landscape Contract & Maintenance | \$ 27,040 | \$ 27,040 | \$ 27,761 | \$ 28,501 | \$ 29,259 | \$ 30,036 | \$ 30,831 | \$ 31,646 | \$ 32,481 | \$ 33,336 |
| Non Schedule Repairs | 5,202 | 5,203 | 5,334 | 5,468 | 5,606 | 5,747 | 5,892 | 6,040 | 6,192 | 6,347 |
| Landscape Extra Work | - | - | - | - | - | - | - | - | - | - |
| Landscape Supplies | 1,104 | 1,104 | 1,132 | 1,160 | 1,189 | 1,219 | 1,249 | 1,280 | 1,312 | 1,345 |
| Water | 36,725 | 36,725 | 37,643 | 38,584 | 39,549 | 40,538 | 41,551 | 42,589 | 43,655 | 44,746 |
| Gas & Electricity | 2,229 | 2,229 | 2,286 | 2,342 | 2,401 | 2,460 | 2,522 | 2,585 | 2,650 | 2,716 |
| Capital Replacement Reserve | 2,000 | 2,000 | 2,050 | 2,101 | 2,154 | 2,208 | 2,263 | 2,319 | 2,377 | 2,437 |
| Assessment Engineering | 3,028 | 3,028 | 3,038 | 3,048 | 3,058 | 3,069 | 3,079 | 3,090 | 3,102 | 3,114 |
| Printing, Publishing & Mailing | 1,159 | 1,159 | 1,188 | 1,218 | 1,248 | 1,280 | 1,311 | 1,343 | 1,378 | 1,412 |
| County Collection Fees | 851 | 851 | 872 | 894 | 916 | 939 | 963 | 987 | 1,012 | 1,037 |
| Other Internal Service Charges | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 79,338 | \$ 79,339 | \$ 81,304 | \$ 83,316 | \$ 85,380 | \$ 87,496 | \$ 89,661 | \$ 91,879 | \$ 94,159 | \$ 96,490 |
| Revenue Over (Under) Expenditures | \$ (4,361) | \$ (4,177) | \$ (5,440) | \$ (6,689) | \$ (7,982) | \$ (9,325) | \$ (10,711) | \$ (12,141) | \$ (13,629) | \$ (15,161) |
| Contingency Reserve | \$ 8,000 | \$ 8,000 | \$ 8,000 | \$ 8,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 10,000 |
| Fund Balance 6/30 | \$ 350,565 | \$ 346,388 | \$ 340,948 | \$ 334,259 | \$ 325,277 | \$ 315,952 | \$ 305,241 | \$ 293,100 | \$ 279,471 | \$ 263,310 |

City of Concord
Special Revenue Fund
Street Lighting Maintenance District
Ten Year Projection
For the Fiscal Years Ending June 30, 2016 and 2017

| | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Fund Balance 7/01 | \$ 1,884,401 | \$ 1,813,486 | \$ 1,715,553 | \$ 1,667,410 | \$ 1,588,607 | \$ 1,478,996 | \$ 1,336,545 | \$ 1,159,977 | \$ 947,987 | \$ 702,919 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 | \$ 1,043,546 |
| Use of Money & Property | 18,416 | 18,416 | 16,831 | 16,032 | 14,935 | 13,532 | 11,810 | 9,760 | 7,389 | 4,690 |
| Total Revenue | \$ 1,061,962 | \$ 1,061,962 | \$ 1,060,377 | \$ 1,059,578 | \$ 1,058,481 | \$ 1,057,078 | \$ 1,055,356 | \$ 1,053,306 | \$ 1,050,935 | \$ 1,048,236 |
| Expenditures | | | | | | | | | | |
| Street Lighting (Electricity) | \$ 400,000 | \$ 400,000 | \$ 410,000 | \$ 420,250 | \$ 430,756 | \$ 441,525 | \$ 452,563 | \$ 463,877 | \$ 475,474 | \$ 487,361 |
| Street Lighting (Consult./Contract) | 30,000 | 30,000 | 30,750 | 31,519 | 32,307 | 33,114 | 33,942 | 34,791 | 35,661 | 36,552 |
| Street Lighting (Personnel) | 201,500 | 215,824 | 225,020 | 231,379 | 236,508 | 239,800 | 243,150 | 246,541 | 243,293 | 246,683 |
| Street Lighting (Supplies) | 35,000 | 40,000 | 41,000 | 42,025 | 43,076 | 44,153 | 45,256 | 46,388 | 47,547 | 48,736 |
| Assessment Engineering | 16,500 | 17,000 | 17,425 | 17,861 | 18,307 | 18,765 | 19,234 | 19,715 | 20,208 | 20,713 |
| County Collection Fees | 33,000 | 35,000 | 35,875 | 36,772 | 37,691 | 38,633 | 39,599 | 40,589 | 41,604 | 42,644 |
| Other Internal Service Charges | 32,080 | 32,329 | 32,995 | 33,656 | 34,327 | 35,014 | 35,714 | 36,430 | 37,158 | 37,900 |
| Debt Service Lease Purchase Agree | 297,347 | 306,267 | 315,455 | 324,919 | 335,120 | 348,525 | 362,466 | 376,965 | 395,058 | 410,198 |
| Loan Repayment w/Interest | 87,450 | 83,475 | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 1,132,877 | \$ 1,159,895 | \$ 1,108,520 | \$ 1,138,381 | \$ 1,168,092 | \$ 1,199,529 | \$ 1,231,924 | \$ 1,265,296 | \$ 1,296,003 | \$ 1,330,787 |
| Revenues Over (Under) | \$ (70,915) | \$ (97,933) | \$ (48,143) | \$ (78,803) | \$ (109,611) | \$ (142,451) | \$ (176,568) | \$ (211,990) | \$ (245,068) | \$ (282,551) |
| Contingency Reserve | \$ 75,000 | \$ 77,000 | \$ 79,000 | \$ 81,000 | \$ 83,000 | \$ 85,000 | \$ 87,000 | \$ 89,000 | \$ 90,000 | \$ 92,000 |
| Fund Balance 6/30 | \$ 1,738,486 | \$ 1,638,553 | \$ 1,588,410 | \$ 1,507,607 | \$ 1,395,996 | \$ 1,251,545 | \$ 1,072,977 | \$ 858,987 | \$ 612,919 | \$ 328,368 |