

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** The Honorable City Council

**FROM:** Mary K. Lindley, Parks, Recreation and Community Services Director 

**DATE:** May 9, 2006 (CC Meeting of May 17, 2006)

**SUBJECT:** Consider Resolution Approving the Preliminary Assessment Engineer's Report for the Parks and Recreation Maintenance and Improvement Assessment District For Fiscal Year 2006/2007 and Providing Notice of Public Hearing on June 7, 2006

**EXECUTIVE SUMMARY**

The City Council is being asked to adopt the attached resolution, approving the Assessment Engineer's Report (Report), which contains the methodology and formula for apportioning the property assessment for park maintenance. Additionally, the resolution identifies the date for the Public Hearing to consider the levy of the assessment for FY 2005/06.

**BACKGROUND**

In July 1999, the City successfully established an assessment district for the maintenance and improvement of City parks. The District was initiated by the Council to provide funding in place of AD 85-1 (Park Maintenance Assessment District), which was disbanded in July 1998 as a result of Proposition 218. The current Maintenance District is based on a "special" assessment. This means that the City assesses property owners for that portion of park maintenance and improvement activities that generate a "special" benefit. All activities that generate a "general" benefit must be funded from non-assessment revenues (typically General Fund and Park Improvement Fund).

The Parks and Recreation Maintenance and Improvement Assessment District (Assessment District) includes 16 parks, 15 improved parks and one undeveloped park (Magnolia Park). The amount of the assessment levied to property owners may only increase by the Cost of Living factor (CPI) for the Los Angeles Metropolitan area, and not more than 3 percent in any year. In situations when the CPI exceeds 3 percent, the remaining difference can be carried over to a subsequent year.

On December 21, 2005, the City Council adopted Resolution No. 2005-2429 indicating its intent to continue the park assessment for FY 2005/06 and directing the preparation of the Engineer's Report.

## **DISCUSSION**

The City Council is being presented with the preliminary Report, has been distributed to the City Council by separate memo, for consideration and approval. By approving the Report, the Council will be establishing the assessment levy, the formula used to spread the assessment, and the "City's Contribution" (comprised of General Fund, Park Improvement Fund [PIF], Redevelopment Agency funds, and state Park Bond funds) for the maintenance and improvement of parks. This report sets forth certain relevant information, including the following:

- a Boundary Map(s);
- the reason for the assessments;
- the duration of the assessments;
- the method of assessments;
- the amount of the annual assessments;
- information regarding cost of living adjustments; and
- a description of improvements to be maintained.

The Assessment District includes all 16 City parks, Arroyo Vista Community Center, and the Serenata Trail. The Report contains a determination regarding the percentage of benefit deemed "special" and the percentage deemed "general", generated from the maintenance and improvement of City parks and recreation facilities. The percentage figure identified by the Engineer is 25 percent "general" benefit and 75 percent "special" benefit. This percentage is then applied to the total park maintenance and improvement budget. Under Proposition 218, the City can only assess property owners for the 75 percent portion of the budget related to "special" benefits. Although 75 percent is identified as providing "special" benefit, and consistent with previous years, it is proposed that property owners be assessed below the 25 percent threshold, at approximately 11 percent of the total budget. The "City's Contribution" as identified in the Report is comprised of the General Fund (\$1,343,132), Park Improvement Fund (\$3,331,600), MRA (\$532,992), and state Park Bond (\$89,495) sources, makes up the remaining approximately 89 percent of the total budget for FY 06/07.

## **Park Maintenance and Improvement Budget**

The Engineer's Report addresses the estimated revenue to be generated by the assessment (approximately \$605,892) contingent on the Council's approval of the proposed rate. This is approximately \$23,000 more in assessment revenue than was

projected for FY 2005/06. The report also identifies the non-assessment contribution, which is noted in the Report as City Contribution. As mentioned above, consistent with Proposition 218, the City covers all costs associated with park maintenance activity expenditures that generate "general" benefits (these activities comprise approximately 25 percent of the budget). Additionally, the City traditionally covers a significant portion of the cost associated with expenditures that generate "special" benefits. The remaining costs associated with "special" benefits are covered by the revenue collected from the assessed levy.

The proposed FY 2006/07 Park Assessment District budget figure of \$5,903,111 (an increase of approximately \$2,263,814 from FY 2005/06) includes \$1,747,080 for operation and maintenance (approximately \$356,275 over FY 2005/06) and \$4,156,031 for capital improvements and equipment (an increase of approximately \$1,907,539 from FY 2005/06). The capital improvement expenditure increase results primarily from the construction of the following proposed projects: Poindexter Park expansion (\$542,380), AVRC gym expansion (\$2,120,510), Magnolia Park (\$32,992), Glenwood Park restrooms and playground improvements (\$165,497), Tierra Rejada Park playground equipment replacement and bocce ball courts (\$119,350), AVCP parking lot and basketball lights, swings, relocate backflow (\$432,358), Campus Canyon ball wall (\$25,000), Peach Hill Park playground improvements (\$25,000), and Monte Vista Park interpretative nature center (\$25,000).

<b>FY 2006/07 Park Asst. District Budget Summary</b>	<b>Proposed Expenditures</b>	<b>Funding Source</b>
Operation/Maintenance	\$1,747,080	
Capital Park Projects	\$4,156,031	
<b>Total Expenditure Budget</b>	<b>\$5,903,111</b>	
Assessment Levy		\$605,892
General Fund		\$1,343,132
Park Improvement		\$3,331,600
Redevelopment Bonds (Magnolia Park)		\$532,992
State Park Bond (Poindexter Park Exp)		\$89,495
<b>Total Revenues</b>		<b>\$5,903,111</b>

The budget figures contained in the Engineer's Report may differ slightly from the figures in the City's draft budget document that will be presented to the City Council. This is a result of needing to finalize the Engineer's Report prior to completing the City Budget.

**Assessment Rate**

The assessment district was adopted with a CPI cap of 3 percent. However, the approved assessment language allows the City to carry over any difference in the CPI that exceeds 3 percent to the following year, as long as it adheres to the cap in subsequent years. The history of the adjusted assessment levy is as follows:

Fiscal Year	CIP Period	CIP	Levy Adjustment	Carryover Adjustment (Running Total)
2000/01	Dec 1998 - Dec 1999	2.3%	2.3%	0
2001/02	Dec 1999 - Dec 2000	3.7%	.7%	.7%
2002/03	Dec 2000 - Dec 2001	2.1%	2.8%	0
2003/04	Dec 2001 - Dec 2002	3.7%	3%	.7%
2004/05	Dec 2002 - Dec 2003	1.8%	2.5%	0
2005/06	Dec 2003 - Dec 2004	4.39%	3%	1.39%
2006/07	Dec 2004- Dec 2005	4.042%	3%	2.432% (1.39% + 1.042%)

The CPI increase calculation pertaining to the FY 2006/07 assessment (December 2004 – December 2005) is 4.042 percent. Because of the 3 percent cap on rate adjustments, the City can only raise the assessment by 3 percent and carry the 1.042 percent over to FY 2007/08. The total CPI carryover is now 2.432, of which all or part can be applied to the assessment levy in subsequent years when the CPI is below 3 percent. The proposed SFE assessment rate and levy for FY 2006/07 is \$47.32.

**Public Hearing**

The continuation of the Parks Maintenance and Improvement District and rate adjustment requires a public hearing to be held prior to the annual levy of assessment

for the purpose of receiving input and to hear any protest to the proposed assessment. Staff recommends that the Council set the hearing date as June 7, 2006. The Hearing Notice cites the assessment amounts set forth in the Engineer's Report and it will be published and posted as required by law.

**STAFF RECOMMENDATION**

Adopt Resolution No. 2006-\_\_\_\_.

Attachment: A - Resolution

RESOLUTION NO.2006-\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA OF INTENTION TO LEVY ASSESSMENTS FOR FISCAL YEAR 2006-07, PRELIMINARILY APPROVING ENGINEER'S REPORT, AND PROVIDING FOR NOTICE OF HEARING FOR THE PARKS AND RECREATION MAINTENANCE AND IMPROVEMENT DISTRICT OF THE CITY OF MOORPARK

WHEREAS, on July 15, 1999, by its Resolution No. 99-1625, after receiving a weighted majority of ballots in support of the proposed assessment, this Council ordered the formation of and levied the first assessment within the City of Moorpark Parks and Recreation Maintenance and Improvement District (the "Assessment District") pursuant to the provisions of Article XIID of the California Constitution, and the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500 thereof); and

WHEREAS, by Resolution No. 2005-2429, the City Council ordered the preparation of an Engineer's Report for the Parks and Recreation Maintenance and Improvement District (the "District") for fiscal year 2006-07; and

WHEREAS, pursuant to said Resolution, the Engineer's Report was prepared by SCI Consulting Group, formerly Shilts Consultants, Inc., Engineer of Work, in accordance with 22565, *et. seq.*, of the Streets and Highways Code (the "Report") and Article XIID of the California Constitution; and

WHEREAS, said Engineer's Report was filed with the City Clerk and the City Council has reviewed the Report and wishes to take certain actions relative to said Report.

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

SECTION 1. The Report for "PARKS AND RECREATION MAINTENANCE AND IMPROVEMENT ASSESSMENT DISTRICT", on file with the City Clerk, has been duly considered by the Moorpark City Council and is hereby deemed sufficient and approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under, and pursuant to, the foregoing resolution.

SECTION 2. It is the intention of this Council to levy and collect assessments within the Assessment District for fiscal year 2006-07. Within the Assessment District,

the existing and proposed improvements, and any substantial changes proposed to be made to the existing improvements, are generally described as the installation, maintenance and servicing of public facilities, including but not limited to, landscaping, sprinkler systems, park grounds, park facilities, landscape corridors, ground cover, shrubs and trees, street frontages, playground equipment and hardcourt areas, senior and community centers, drainage systems, lighting, fencing, entry monuments, basketball courts, tennis courts, running tracks, other recreational facilities, security guards, graffiti removal and repainting, and labor, materials, supplies, utilities and equipment, as applicable, for property owned and maintained by the City of Moorpark. Installation means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, recreational facilities and public restrooms. Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of said improvements, including repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health and beauty of landscaping; and cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti. Servicing means the furnishing of electric current or energy for the operation or lighting of any improvements, and water for irrigation of any landscaping or the maintenance of any other improvements.

SECTION 3. The Assessment District consists of the lots and parcels shown on the boundary map of the Assessment District on file with the City Clerk, and reference is hereby made to such map for further particulars.

SECTION 4. Reference is hereby made to the Engineer's Report for a full and detailed description of the improvements, the boundaries of the Assessment District and the proposed assessments upon assessable lots and parcels of land within the Assessment District. The Engineer's Report identifies all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed.

SECTION 5. The authorized maximum assessment rate for the District includes an annual adjustment by an amount equal to the annual change in the Los Angeles Consumer Price Index, not to exceed 3% per year. As the amount of the annual increase in the Los Angeles Area Consumer Price Index from December 2004 to December 2005 is 4.042%, the authorized maximum levy rate for fiscal year 2006-07 is 3.0% above the maximum levy rate for fiscal year 2006-07. Including the authorized annual adjustment, the maximum authorized assessment rate for fiscal year 2006-07 is \$47.32 per single family equivalent benefit unit and the proposed fiscal year 2006-07 assessment rate per single family equivalent benefit unit is \$47.32.

SECTION 6. Notice is hereby given that on June 7, 2006, at the hour of 7:00 o'clock p.m. in the Council Chambers, located at 799 Moorpark Avenue, Moorpark, California 93021, the Council will hold a public hearing to consider the ordering of the improvements and the levy of the proposed assessments.

SECTION 7. Prior to the conclusion of the hearing, any interested person may file a written protest with the City Clerk, or, having previously filed a protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection. A protest by a property owner shall contain a description sufficient to identify the property owned by such owner. Such protest or withdrawal of protest should be mailed to SCI Consulting Group, 2300 Boynton Ave., Suite 201, Fairfield, CA 94533.

SECTION 8. The City Clerk shall cause a notice of the hearing to be given by publishing a copy of this resolution once, at least ten (10) days prior to the date of the hearing above specified, in a newspaper circulated in the City of Moorpark.

SECTION 9. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 17<sup>th</sup> day of May, 2006.

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Patrick Hunter, Mayor

ATTEST:

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Deborah S. Traffenstedt, City Clerk