

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO: The Honorable City Council**

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

**DATE: May 30, 2007 (CC Meeting of June 6, 2007)**

**SUBJECT: Consider Resolution Approving the Preliminary Assessment Engineer's Report for the Parks and Recreation Maintenance and Improvement Assessment District For Fiscal Year 2007/2008 and Providing Notice of Public Hearing on June 20, 2007**

**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 2007/08.

**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 February 7, 2007, the City Council adopted Resolution No. 2007-2563 indicating its intent to continue the park assessment for FY 2007/08 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. When the initial assessment was set at \$39.00 for a single family equivalent (SFE) unit, the total assessment generated approximately 51.6 percent of the revenue required to support park maintenance and improvement operations at that time. This percentage was well below the "special" assessment cap of 75 percent. The City contributed funds to cover the remaining 48.4 percent. Over the years, as park acreage and amenities expanded and costs increased, the percentage of City contribution grew. The park assessment revenue for FY 2007/08 is expected to be only about 32 percent of the proposed operating costs.

### **Park Maintenance and Improvement Budget**

The total proposed Park Maintenance and Improvement Budget for FY 2007/08 is \$5,472,294. The Engineer's Report estimates that the assessment will generate

approximately \$628,554, contingent on the Council's approval of the proposed rate. This is approximately \$22,662 more in assessment revenue than was projected for FY 2006/07. At this rate, assessment revenue will cover approximately 11.5 percent of the total budget (or 15.3 percent of the "special" benefit). The City's contribution is \$4,843,740 and is comprised of the General Fund (\$1,391,073), Park Improvement Fund (\$2,838,172), MRA (\$525,000), and state Park Bond (\$89,495).

The proposed FY 2007/08 Park Assessment District budget figure of \$5,472,294 (an decrease of approximately \$430,817 from FY 2006/07) includes \$1,950,627 for operation and maintenance (approximately \$203,547 increase over FY 2006/07) and \$3,523,207 for capital improvements and equipment (an decrease of approximately \$632,364 from FY 2006/07). The capital improvement expenditure budget includes the following proposed projects: Poindexter Park expansion design (\$300,000); AVRC expansion (\$1,837,604); Magnolia Park (\$525,000); Glenwood Park restrooms and playground improvements (\$197,244); Mountain Meadows basketball lights (\$55,000); Tierra Rejada Park bocce ball courts (\$29,460); AVCP parking lot and multipurpose court basketball standards and lights, swings, relocate backflow (\$432,359); Miller Park swings (\$20,000); replace College View basketball court lights (\$25,000); Campus Canyon ball wall (\$25,000); Peach Hill Park playground improvements (\$25,000); and Monte Vista Park ground improvements (\$50,000).

<b>FY 2006/07 Park Asst. District Budget Summary</b>	<b>Proposed Expenditures</b>	<b>Funding Source</b>
Operation/Maintenance	\$1,950,627	
Capital Park Projects	\$3,521,667	
<b>Total Expenditure Budget</b>	<b>\$5,472,294</b>	
Assessment Levy		\$628,554
General Fund		\$1,391,073
Park Improvement		\$2,838,172
Redevelopment Bonds (Magnolia Park)		\$525,000
State Park Bond (Poindexter Park Exp)		\$89,495
<b>Total Revenues</b>		<b>\$5,472,294</b>

The budget figures contained in the Engineer's Report may differ slightly from the figures in the City's budget document that was 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 1998/99	2.3%	2.3%	0
2001/02	Dec 1999/00	3.7%	.7%	.7%
2002/03	Dec 2000/01	2.1%	2.8%	0
2003/04	Dec 2001/02	3.7%	3%	.7%
2004/05	Dec 2002/03	1.8%	2.5%	0
2005/06	Dec 2003/04	4.39%	3%	1.39%
2006/07	Dec 2004/05	4.042%	3%	2.432%
2007/08	Dec 2005/06	3.701%	3%	3.133%

The CPI increase calculation pertaining to the FY 2007/08 assessment (December 2005 – December 2006) is 3.701 percent. Because of the 3 percent cap on rate adjustments, the City can only raise the assessment by 3 percent and carry the .701 percent over to FY 2008/09. The total CPI carryover is now 3.133, 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 2007/08 is \$48.74, an increase of \$1.42 over FY 2006/07.

**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 20, 2007. 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. 2007-\_\_\_\_.

Attachment: A - Resolution

RESOLUTION NO.2007-\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA OF INTENTION TO LEVY ASSESSMENTS FOR FISCAL YEAR 2007-08, 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. 2007- 2563, 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 2007-08; and

WHEREAS, pursuant to said Resolution, the Engineer's Report was prepared by SCI Consulting Group, 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 HEREBY 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 2007-08. 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 2005 to December 2006 is 3.286%, the authorized maximum levy rate for fiscal year 2007-08 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 2007-08 is \$48.74 per single family equivalent benefit unit and the proposed fiscal year 2007-08 assessment rate per single family equivalent benefit unit is \$48.74.

SECTION 6. Notice is hereby given that on June 20, 2007, 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, 4745 Mangels Blvd., Fairfield, CA 94534.

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 6<sup>th</sup> day of June, 2007.

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Patrick Hunter, Mayor

ATTEST:

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Deborah S. Traffenstedt, City Clerk