

CITY OF YUBA CITY
STAFF REPORT

Date: July 19, 2022
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Yuba City Lighting and Landscape Maintenance District Nos. 2, 3, 4 & 5 (Town Center and 69 Subdivisions throughout Yuba City), and Yuba City Lighting and Landscape Maintenance District No. 6 (Commercial District) Resolution of Intent

Recommendation: A. Adopt the following Resolutions to continue the Maintenance Districts, pursuant to the Landscaping and Lighting Act of 1972:

- Resolution Approving Engineer's Reports, Yuba City Lighting and Landscape Maintenance District Nos. 2, 3, 4, 5 and 6
- Resolution of Intention to Order Improvements and Set a Public Hearing for August 16, 2022 at 6:00 PM to establish assessments for Fiscal Year (FY) 2022-23 , Yuba City Lighting and Landscape Maintenance District Nos. 2, 3, 4, 5 and 6

Fiscal Impact: Receipt of assessments and expenditures of funds for lighting and landscape maintenance districts throughout the City.

Purpose:

To continue to provide Lighting and Landscape Maintenance throughout the City pursuant to the provisions of the Landscaping and Lighting Act of 1972 and Article XIID of the California Constitution.

Council Strategic Goal:

Levying Yuba City Lighting and Landscape Maintenance District Nos. 2, 3, 4 & 5, and Yuba City Lighting and Landscape Maintenance District No. 6 (LLMD Nos. 2-6) addresses the City Council's Strategic Goal of maintaining infrastructure, as levying (LLMD Nos. 2-6) will ensure that street lighting, landscaping and associated items, block walls, detention ponds, and street-end barricades are maintained and in operation.

Background:

The City annually levies and collects special assessments in order to maintain and service landscaping

and lighting improvements that provide special benefit to the parcels identified in Lighting and Landscape Maintenance Districts 2-6 (Attachment 2, Exhibit A). The assessments were approved by the property owners of record through a protest-ballot proceeding at the time the Districts were formed.

District Nos. 2 (Town Square Area); 3, 4, and 5 (69 subdivisions located throughout the City); and 6 (several commercial areas throughout the City) have provisions for a Cost of Living Adjustment (COLA), which is based on the Consumer Price Index from January to January.

Analysis:

The Engineer’s Annual Reports have been prepared and are on file in the City Clerk’s office. They describe each District, the improvements therein, the method of assessment, and the proposed assessment for each parcel. The Resolution of Intention to order improvements is required by state law to continue the Districts. The proposed action in these reports set a public hearing for the Council meeting to be held on August 16, 2022 to establish assessments for the coming year.

District Nos. 3, 4, 6, and District 5 Zones of Benefit B-L will see increases in their annual levies, while District 2 Zone of Benefit A, and District 5 Zone of Benefit A will see decreases in their annual levies. The levies were raised in response to inflation, while District 2 Zone of Benefit A, and District 5 Zone of Benefit A levies were decreased due to sufficient reserves and revenues which exceeded expenditures.

Fiscal Impact:

The proposed assessments for FY 2022-23 are shown in Attachment 3.

The projected revenue, expenditures, and cash balance, which include capital reserve, for the Districts are as follows:

<u>District</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Projected Reserve Fund Balance as of 7/1/22*</u>
2	\$83,372	\$41,035	\$111,665
3	\$10,662	\$8,676	\$27,566
4	\$153,205	\$135,737	\$144,411
5	\$575,655	\$577,967	\$221,495
6	\$29,125	\$14,792	\$141,897

*The Projected Reserve Fund Balance is the total of the Capital Replacement Reserve plus the Operating Reserve.

Alternatives:

1. Council may direct the modification of the assessment amounts which will affect future revenue and expenditure amounts in FY 2022/23, or cancel the Districts and find alternative funding sources to maintain the lighting and landscaping.

Attachments:

1. Attachment 1 - Resolution LLMDs 2-6 Approve Engineer's Report
2. Attachment 2 - Resolution LLMDs 2-6 Set Public Hearing Date
3. Exhibit A - District Maps 2-6
4. Attachment 3 - Proposed Assessments - LLMDs 2-6 Intent
5. Attachment 4 - Engineer's Report

Prepared By:
Josh Wolffe
Associate Civil Engineer

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING THE ENGINEER'S REPORTS FOR THE YUBA CITY LIGHTING AND
LANDSCAPE MAINTENANCE DISTRICT NOS. 2, 3, 4, & 5 (TOWN CENTER AND 69
SUBDIVISIONS THROUGHOUT YUBA CITY) AND YUBA CITY LIGHTING AND
LANDSCAPE MAINTENANCE DISTRICT NO. 6 (COMMERCIAL DISTRICT)**

WHEREAS, the City Council of the City of Yuba City previously formed Lighting and Landscape Maintenance District Nos. 2, 3, 4, 5 & 6 ("Districts"), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code (commencing with Section 22500) (the "Act"); and

WHEREAS, on July 5, 2022, pursuant to the provisions of the Act, the City Council initiated proceedings by adopting a Resolution describing improvements and ordering the City Engineer to file a report with regard to the Districts for the 2022-23 Fiscal Year; and

WHEREAS, the City Engineer has prepared and filed written reports with the City Clerk entitled "City of Yuba City, Lighting and Landscape Maintenance District No. 2, Zone of Benefit A (Town Center), 2022/2023 Engineer's Annual Levy Report," "City of Yuba City, Lighting and Landscape Maintenance District No. 3, Zone of Benefit A, (Palisades Subdivision), 2022/2023 Engineer's Annual Levy Report," "City of Yuba City, Lighting and Landscape Maintenance District No. 4, Zones of Benefit A, B, C, & D, (Butte Vista Neighborhood), 2022/2023 Engineer's Annual Levy Report," "City of Yuba City, Lighting and Landscape Maintenance District No. 5, Zones of Benefit A-L, 2021-2022 Engineer's Annual Levy Report," and "City of Yuba City, Lighting and Landscape Maintenance District No. 6, (Zones of Benefit A_1, A_2, & A_3 and, Zones of Benefit B_1, B_2, B_3, B_4, B_5, B_6, B_7, B_8, B_9, B_10, B_12, B_13, B_14, & B_15, and Zone of Benefit C_1, 2022/2023 Engineer's Annual Levy Report", (the "Engineer's Reports") as called for in said Resolution and under and pursuant to said Act, which report has been presented to this City Council for consideration; and

WHEREAS, said City Council has duly considered said Engineer's Reports and each and every part thereof, and finds that each and every part of said reports is sufficient, and that no portion of the reports require or should be modified in any respect.

WHEREAS, the City Council desires to formally approve the Engineer's Reports, as filed, pursuant to Section 22623 of the Act.

NOW, THEREFORE, be it resolved by the City Council of the City of Yuba City as follows:

1. The above recitals are true and correct, and are hereby incorporated herein by this reference.
2. The City Council finds that the Engineer's estimates prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said Engineer's Reports be, and each of them are hereby, preliminarily approved and confirmed.
3. The City Council finds that the diagram showing the Districts referred to and described in said Engineer's Reports, the boundaries of the subdivisions of the

land within said Districts, is the same as existed at the time of passage of said Resolution and is hereby preliminarily approved and confirmed.

4. The City Council finds that the proposed assessment upon the subdivisions of land in said Districts is in proportion to the estimated benefit to be received by said subdivisions, respectively, from the work and incidental expenses as contained and detailed in the Engineer's Report, which is hereby preliminarily approved and confirmed.
5. The City Council hereby approves the "City of Yuba City, Lighting and Landscape Maintenance District No. 2, Zone of Benefit A (Town Center), 2022/2023 Engineer's Annual Levy Report," "City of Yuba City, Lighting and Landscape Maintenance District No. 3, Zone of Benefit A, (Palisades Subdivision), 2022/2023 Engineer's Annual Levy Report," "City of Yuba City, Lighting and Landscape Maintenance District No. 4, Zones of Benefit A, B, C, & D, (Butte Vista Neighborhood), 2022/2023 Engineer's Annual Levy Report," "City of Yuba City, Lighting and Landscape Maintenance District No. 5, Zones of Benefit A-L, 2022-2023 Engineer's Annual Levy Report," and "City of Yuba City, Lighting and Landscape Maintenance District No. 6, (Zones of Benefit A_1, A_2, & A_3 and, Zones of Benefit B_1, B_2, B_3, B_4, B_5, B_6, B_7, B_8, B_9, B_10, B_12, B_13, B_14, & B_15, and Zone of Benefit C_1, 2022/2023 Engineer's Annual Levy Report." Said reports shall serve as the Engineer's Reports for the purposes of subsequent proceedings for Lighting and Landscape Maintenance District Nos. 2, 3, 4, 5, and 6.
6. This Resolution shall take effect immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 19th day of July, 2022.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR
YUBA CITY LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT NOS. 2, 3, 4, & 5
(TOWN CENTER AND 69 SUBDIVISIONS THROUGHOUT YUBA CITY) AND YUBA CITY
LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT NO. 6 (COMMERCIAL DISTRICT)
PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1973, PART 2 OF DIVISION
15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE, AND APPOINTING A TIME
AND PLACE FOR HEARING OBJECTIONS THERETO**

WHEREAS, the City of Yuba City is a municipal corporation duly created and existing pursuant to the Constitution and laws of the State of California; and

WHEREAS, the Landscaping and Lighting Act of 1972 (“Act”) requires the review of annual assessment of existing Districts; and

WHEREAS, the City Council of the City of Yuba City previously formed Landscape Maintenance District Nos. 2, 3, 4, 5 & 6 (“Districts”), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code (commencing with Section 22500) (the “Act”); and

WHEREAS, assessments levied within the Districts provide revenue for the purposes of the servicing, operation, maintenance, repair, and replacement of the street lights, walls, landscape strip, planters, landscape material, irrigation systems, median landscaping, street trees, detention pond, and detention pond landscape strip surrounding the developments; and

WHEREAS, on July 5, 2022, pursuant to the provisions of the Act, the City Council initiated proceedings by adopting a Resolution describing improvements and ordering the City Engineer to file a report with regard to the District for the 2022-23 Fiscal Year; and

WHEREAS, in accordance with Article 4 of Chapter 1 of the Act, the Engineer prepared and filed such report (the “Engineer’s Report” with the City Clerk, and the City Clerk has presented the Engineer’s Report to the City Council; and

WHEREAS, on July 19, 2022, the City Council adopted a Resolution approving the Engineer’s Report as filed, pursuant to Section 22623 of the Act; and

WHEREAS, in accordance with Section 22624 of the Act, the City Council now desires to declare its intention to levy and collect the assessments within the District for Fiscal Year 2022-23, and to call a public hearing thereto.

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. The above recitals are true and correct, and are hereby incorporated herein by this reference.
2. The City Council hereby (1) finds that the public interest and convenience requires, and (2) declares its intention to order, the levy of and collection of assessments against the assessable lots and parcels of property within existing assessment districts designated Landscape Maintenance District Nos. 2, 3, 4, 5 & 6 (“Districts”), pursuant to the provisions of the Act, for the fiscal year commencing July 1, 2022 and ending June 30, 2023, to pay for the costs and expenses of the improvements described below in Section 4 of this Resolution.
3. The boundaries of the Districts are generally located and depicted in “Exhibit A” attached hereto.
4. The proposed improvements are briefly described as follows: the servicing, operation, maintenance, repair, and replacement of the street lights, walls, landscape strip, planters, landscape material, irrigation systems, median landscaping, street trees, detention pond, and detention pond landscape strip surrounding the developments.
5. The assessments to be levied and collected against the assessable lots and parcels of property within the Districts for Fiscal Year 2022-23 are to be modified as follows: assessments for District No. 2 Zone of Benefit “A” and District No. 5 Zone of Benefit “A” for Fiscal Year 2022-23 are proposed to be reduced as compared to the previous year as described in the Engineer’s Report. The assessments for District Nos. 2 (except Zone of Benefit “A”), 3, 4, 5, (except Zone of Benefit “A”), and 6 for Fiscal Year 2022-23 are proposed to increase from the previous year as described in the Engineer’s Report, but are still within or less than the amount approved for said Districts at the time of the Districts’ respective formations.
6. By previous resolution, the City Council directed the City Engineer to prepare and to file Engineer’s Reports pursuant to the provisions of the Act. The Engineer has prepared and filed written reports with the City Clerk that are titled “City of Yuba City, Lighting and Landscape Maintenance District No. 2, Zone of Benefit A (Town Center), 2022/2023 Engineer’s Annual Levy Report,” “City of Yuba City, Lighting and Landscape Maintenance District No. 3, Zone of Benefit A, (Palisades Subdivision), 2022/2023 Engineer’s Annual Levy Report,” “City of Yuba City, Lighting and Landscape Maintenance District No. 4, Zones of Benefit A, B, C, & D, (Butte Vista Neighborhood), 2022/2023 Engineer’s Annual Levy Report,” “City of Yuba City, Lighting and Landscape Maintenance District No. 5, Zones of Benefit A-L, 2021-2022 Engineer’s Annual Levy Report,” and “City of Yuba City, Lighting and Landscape Maintenance District No. 6, (Zones of Benefit A_1, A_2, & A_3 and, Zones of Benefit B_1, B_2, B_3, B_4, B_5, B_6, B_7, B_8, B_9, B_10, B_12, B_13, B_14, & B_15, and Zone of Benefit C_1, 2022/2023 Engineer’s Annual Levy Report” and by previous resolution the City Council approved the Engineer’s

Reports as filed. Reference is made to the Engineer's Reports on file in the Office of the City Clerk and open to public inspection for a full and detailed description of the improvements, the boundaries of the Districts, and the proposed assessments upon assessable lots and parcels of land within the Districts. The Office of the City Clerk is located at 1201 Civic Center Boulevard, Yuba City, CA 95993.

7. Notice is hereby given that the City Council designates August 16, 2022, at 6:00 p.m., in the City Council Chambers, City Hall, 1201 Civic Center Boulevard, Yuba City, CA, as the date, time, and place for the hearing of protests or objections to the levy of the proposed assessments in connection with the Districts. All interested persons shall be afforded the opportunity to hear and be heard. The City Council shall consider all oral statements and all written protests or communications made or filed by any interested person. 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 the signer. Written protests may be delivered in person to the City Clerk or may be mailed to the City Clerk at City Hall, 1201 Civic Center Boulevard, Yuba City, CA 95993. Any written protest that is mailed must be received at City Hall at or prior to 4:30 p.m. on August 16, 2022.
8. The City Clerk shall give notice of the aforesaid date, time, and place of the hearing in accordance with law.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 19th day of July, 2022.

AYES:

NOES:

ABSENT:

ATTEST:

Ciara Wakefield, Deputy City Clerk

Dave Shaw, Mayor

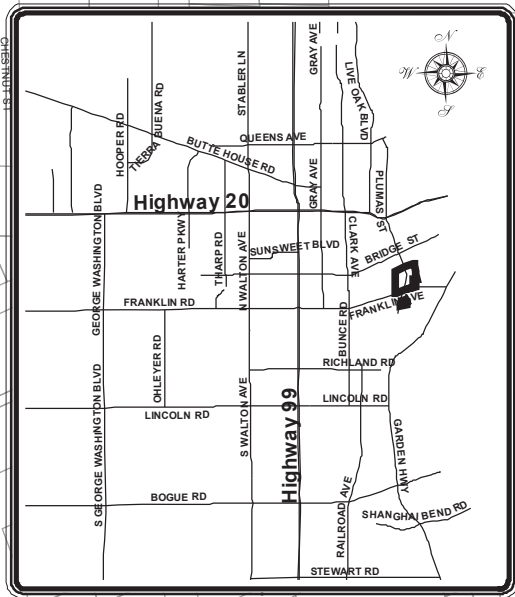
APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP



Attachment(s):

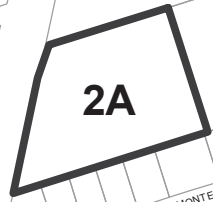
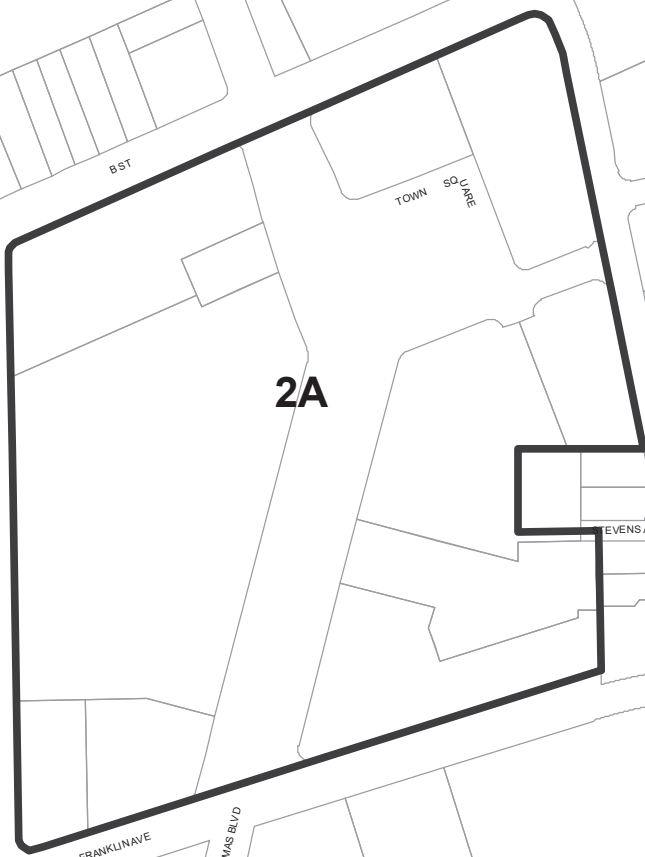
Exhibit A – District Maps

EXHIBIT A



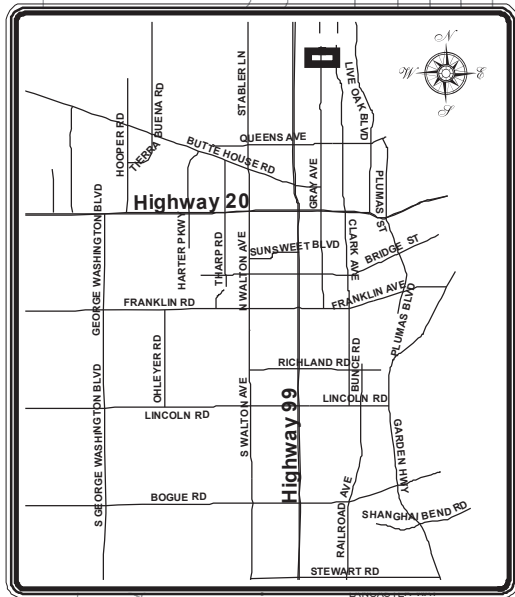
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-  Maintenance Districts
-  City Limits




**Lighting & Landscape
Maintenance District No. 2
Zones of Benefit**

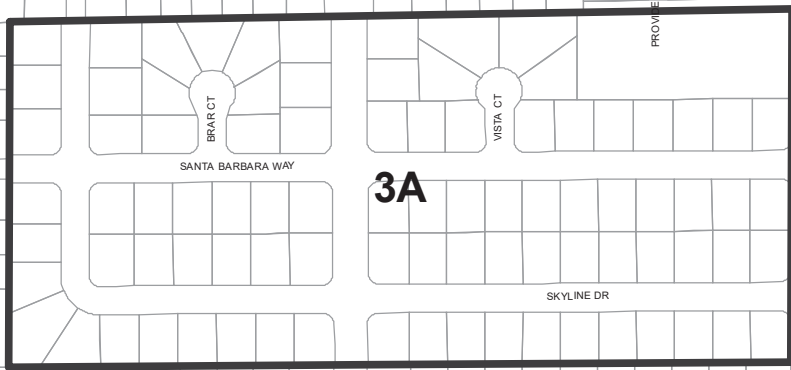




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-  Maintenance Districts
-  City Limits

MAY 99



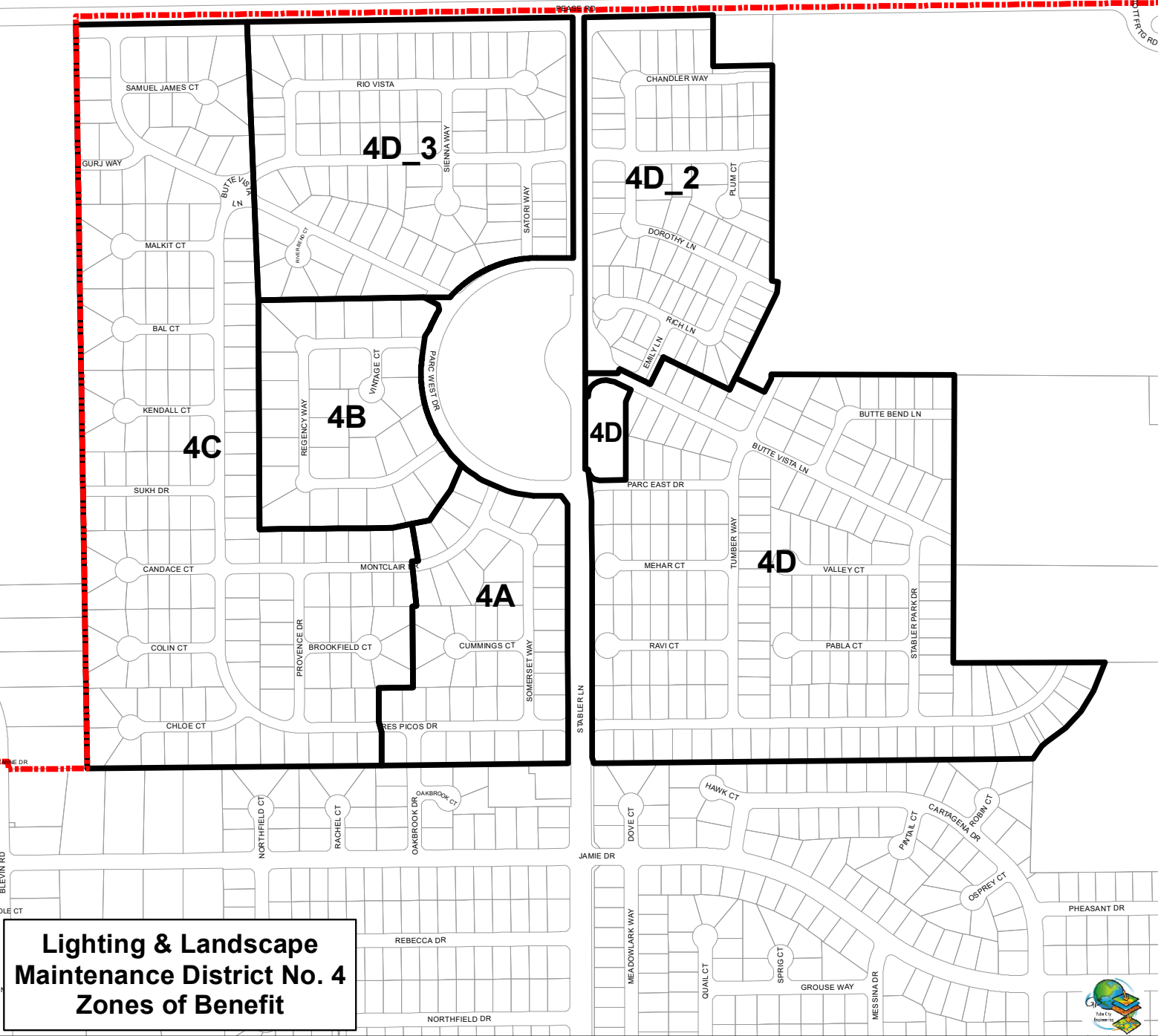
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Maintenance District No. 3
Zones of Benefit**





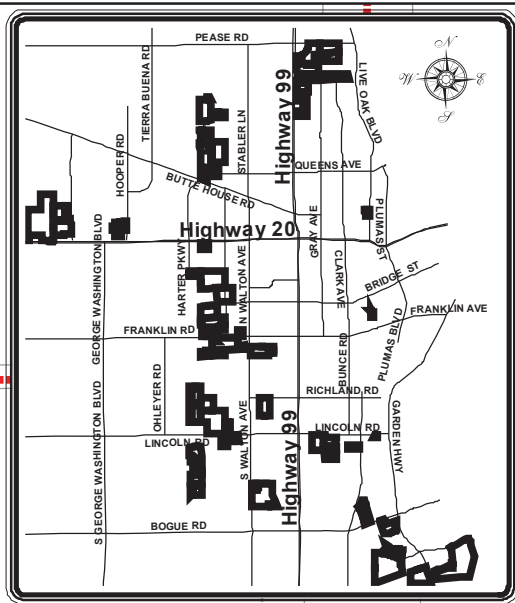
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- Maintenance Districts
- City Limits



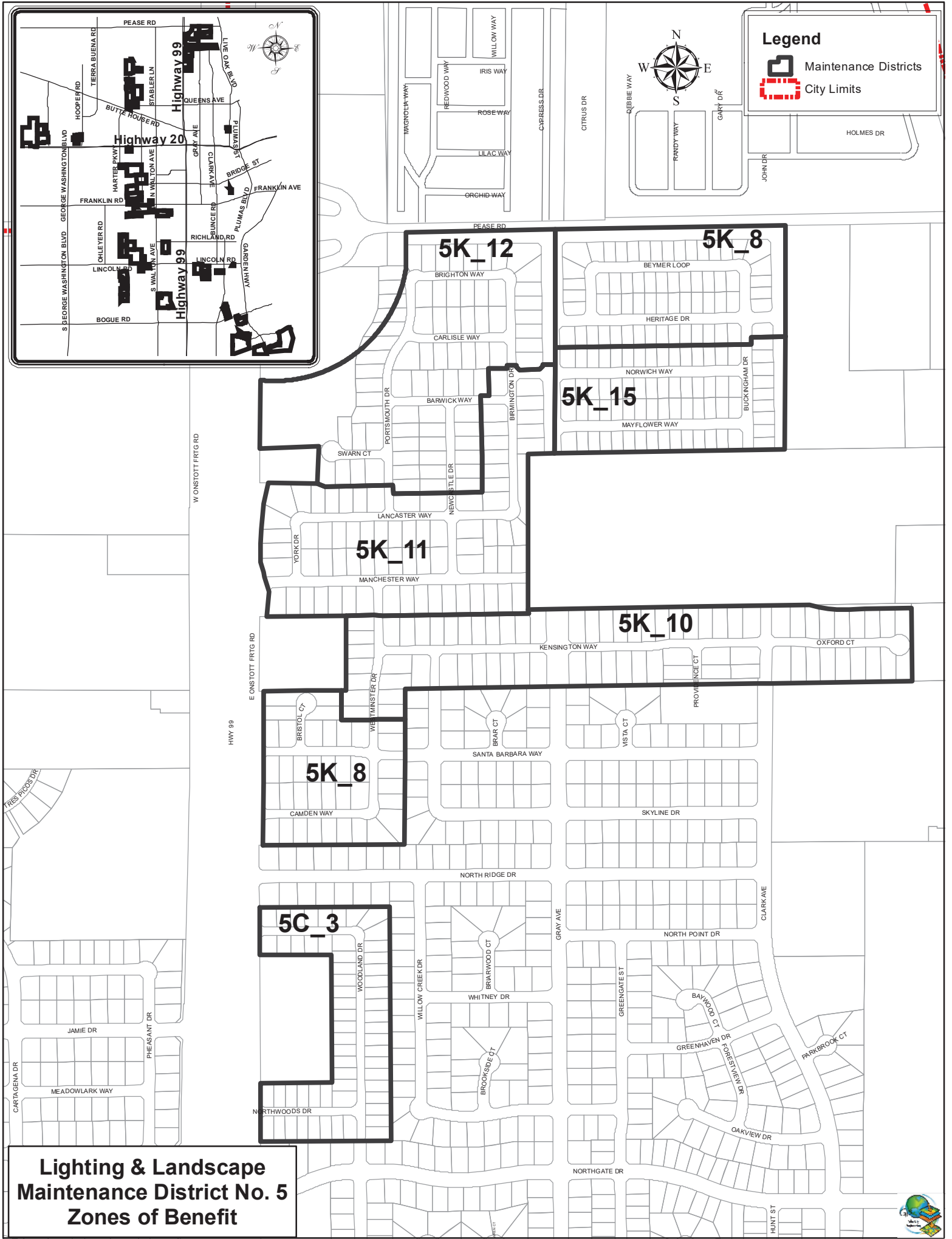
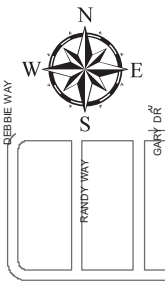
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Maintenance District No. 4
Zones of Benefit**





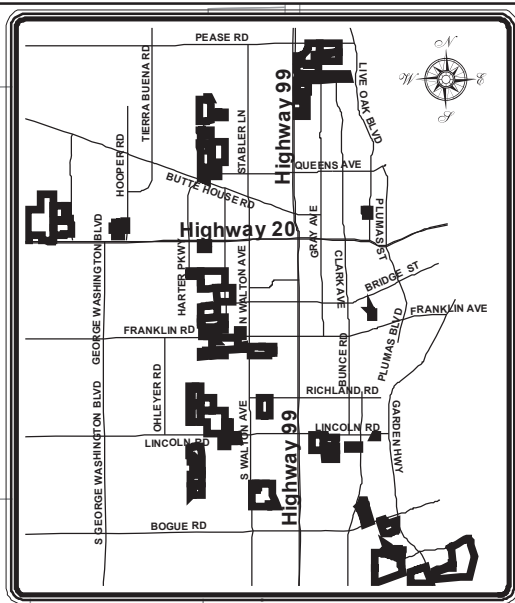
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- Maintenance Districts
- City Limits





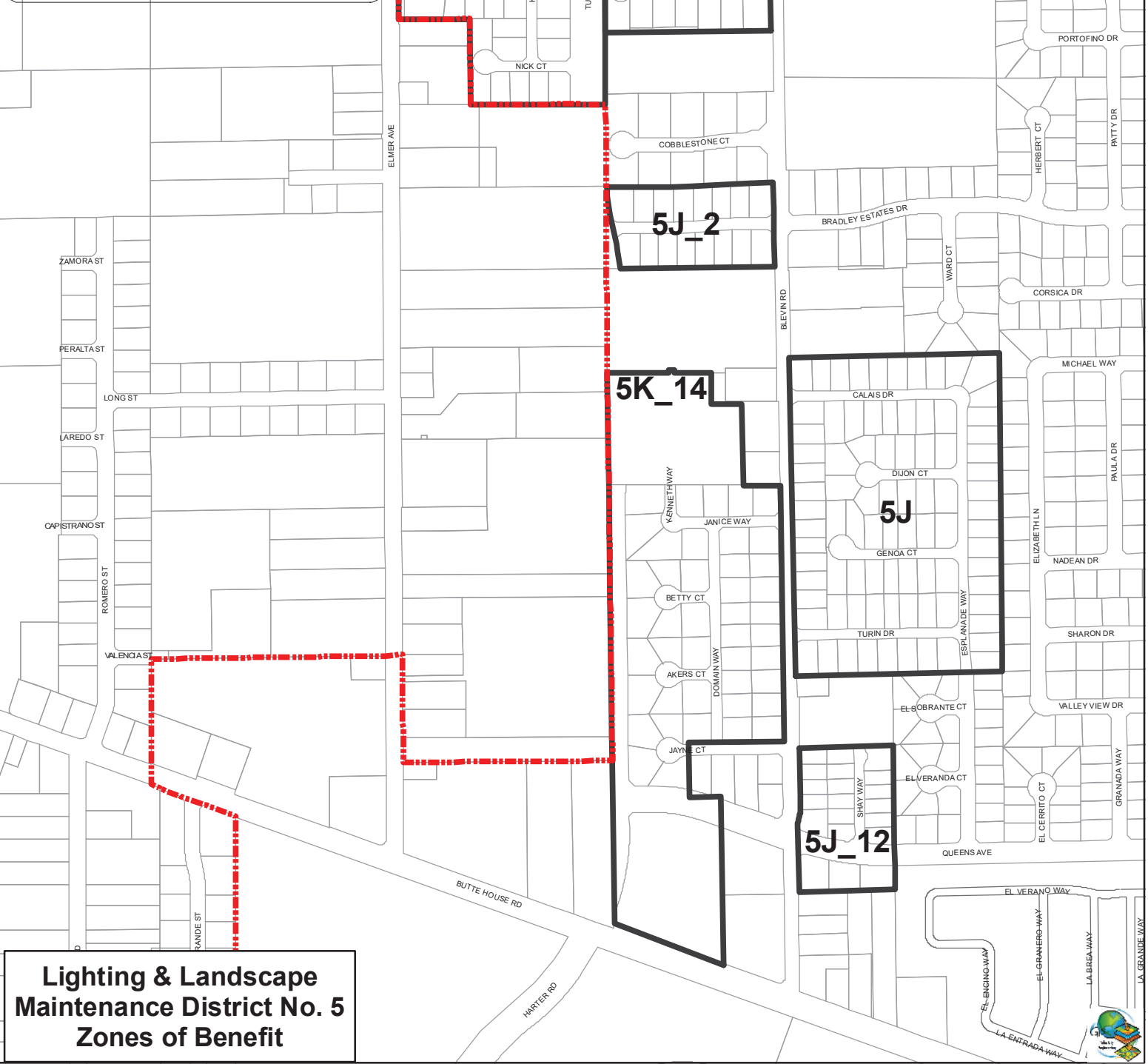
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Maintenance District No. 5
Zones of Benefit**





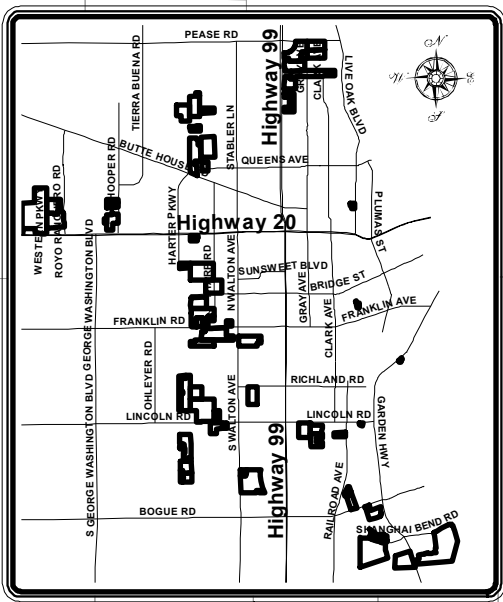
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-  Maintenance Districts
-  City Limits





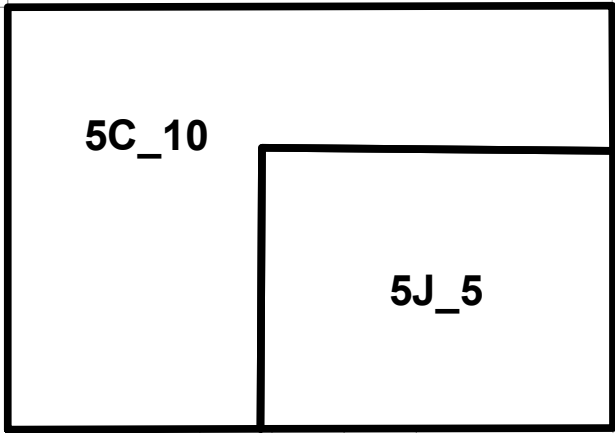
**Lighting & Landscape
Maintenance District No. 5
Zones of Benefit**





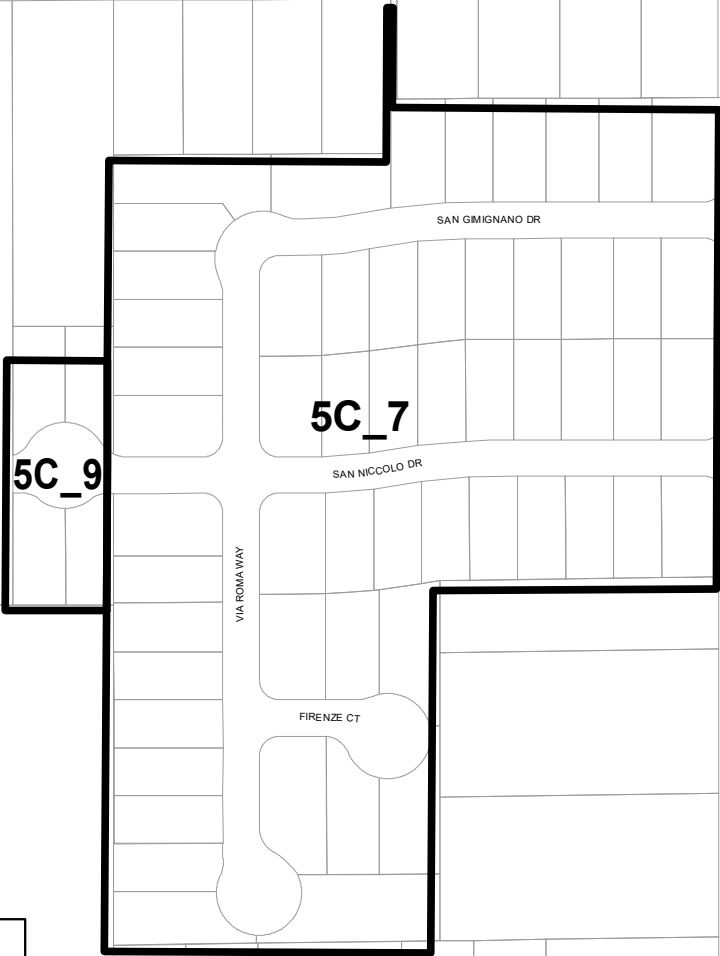
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-  Maintenance Districts
-  City Limits



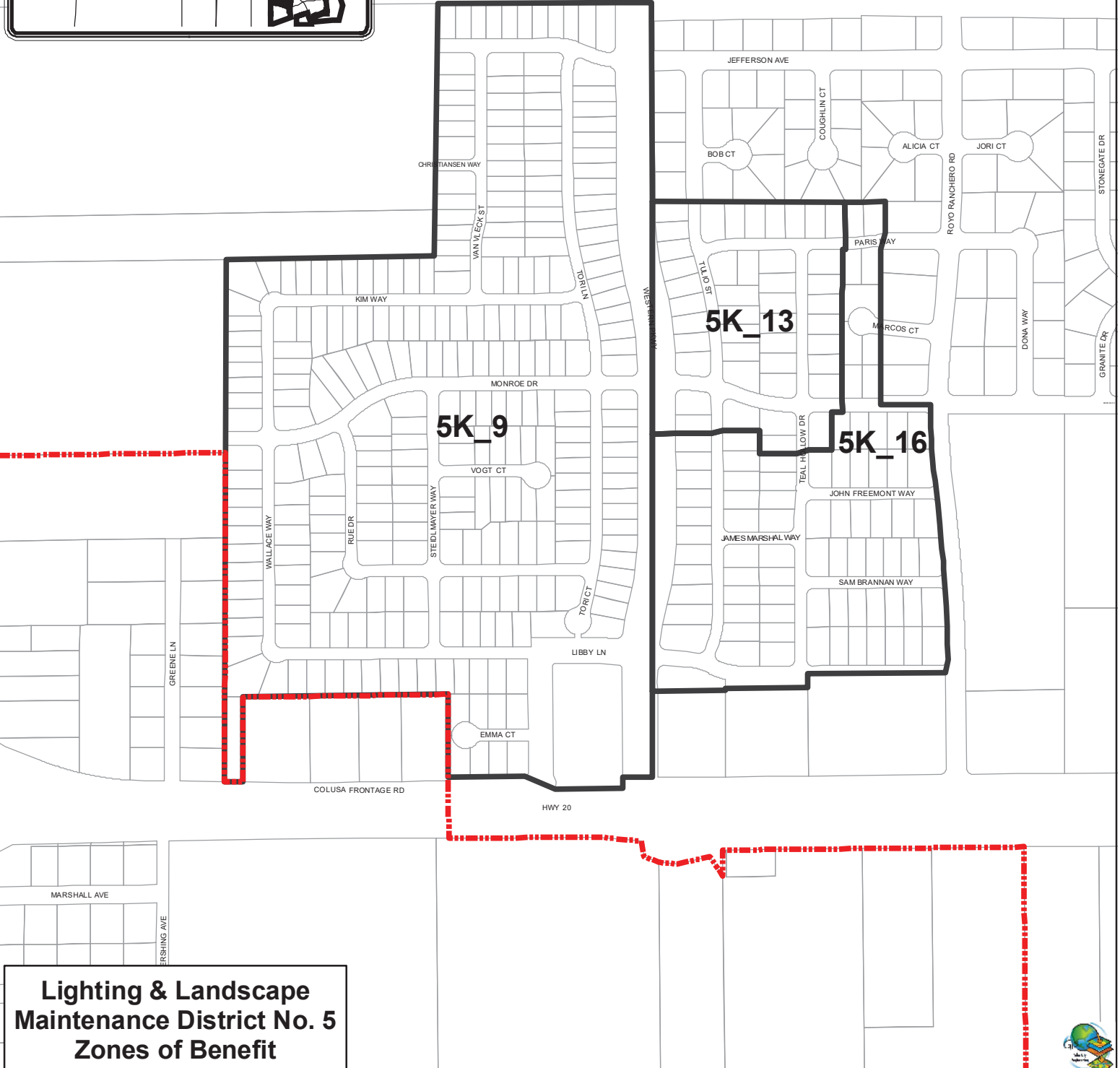
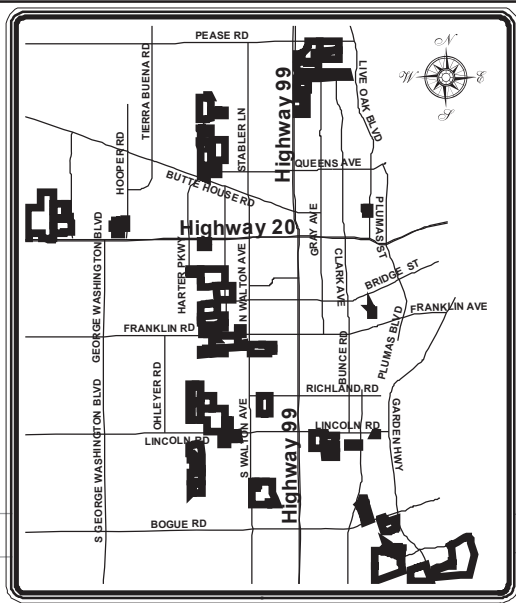
MONROE RD

HOOPER RD



**Lighting & Landscape
Maintenance District No. 4
Zones of Benefit**





**Lighting & Landscape
 Maintenance District No. 5
 Zones of Benefit**



HARTER RD
SPIRIT DR
HARTER PKWY

HWY 20



Legend

- Maintenance Districts
- City Limits

5H_8

SIERRA AVE

5K_9

5K_5

RYAN DR
CARSON DR
REDAVEN AVE
SANTO CT
MONTE AVE
DAVIS AVE
BOUWEN CT
ROSS DR
KRAMT CT
THARP RD
ANDROSS AVE

5K_7

EMMET WAY
TRAVIS CT
LACHARY WAY
MARK THOMAS DR

5K_4

HARBANS DR
EVEREST CT
DEERFIELD DR
AVARRAL CT

5K_1

HARDIAL DR
HUNJI DR
GERDAS CT
N OLIVER DR
HARDIAL CT

5K_3

5K_2

5H_3

5B_1

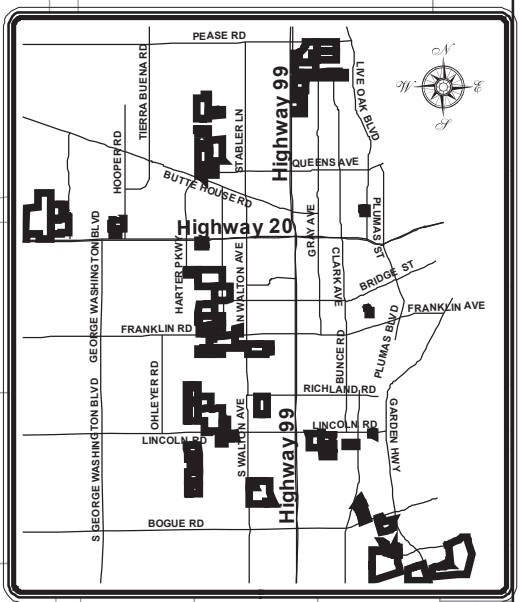
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5D

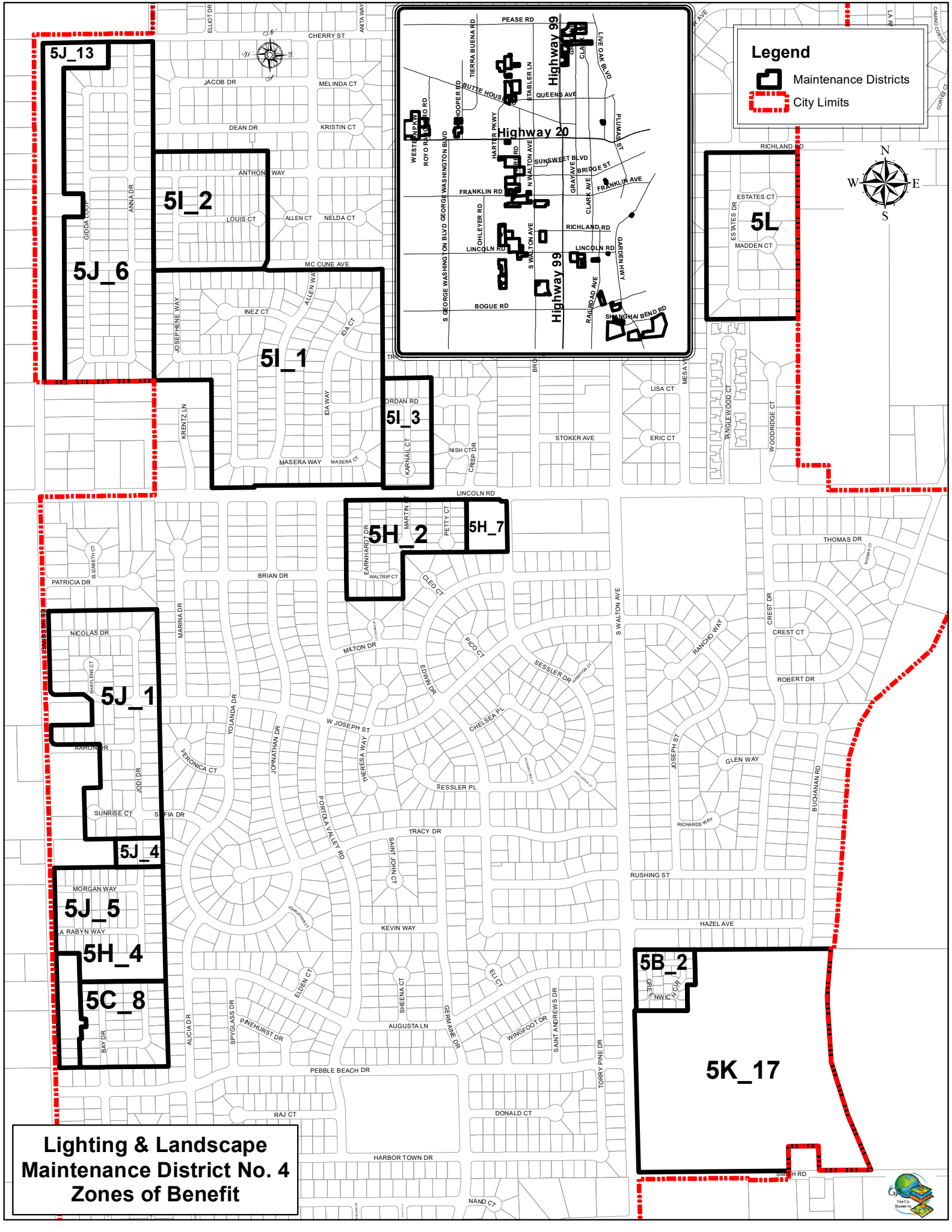
5E

LAMBERT CT
OLIVER DR
JASON CT
RALESTATES CT
YORKSHIRE WAY
BRISTOL WAY
NEWPORT DR
TAYLOR LN
COLLEGE HILL WAY
NANTUCKET WAY
BARRINGTON DR
SASSA DR
MICHELLE DR
RAMERIZ DR
SHAKEWOOD DR
ANITA WAY
PELIGAN PL



**Lighting & Landscape
Maintenance District No. 5
Zones of Benefit**



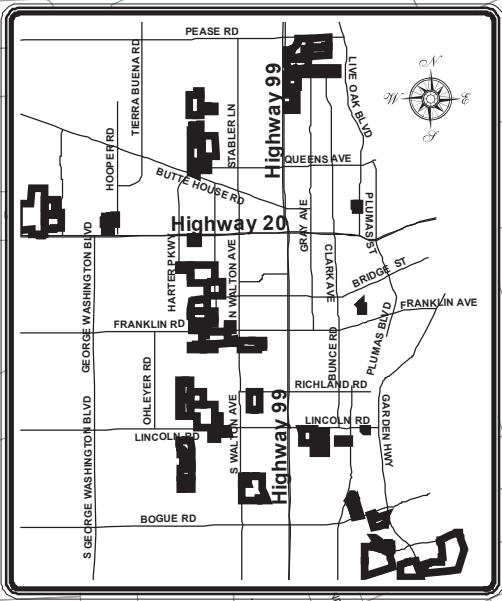


**Lighting & Landscape
Maintenance District No. 4
Zones of Benefit**



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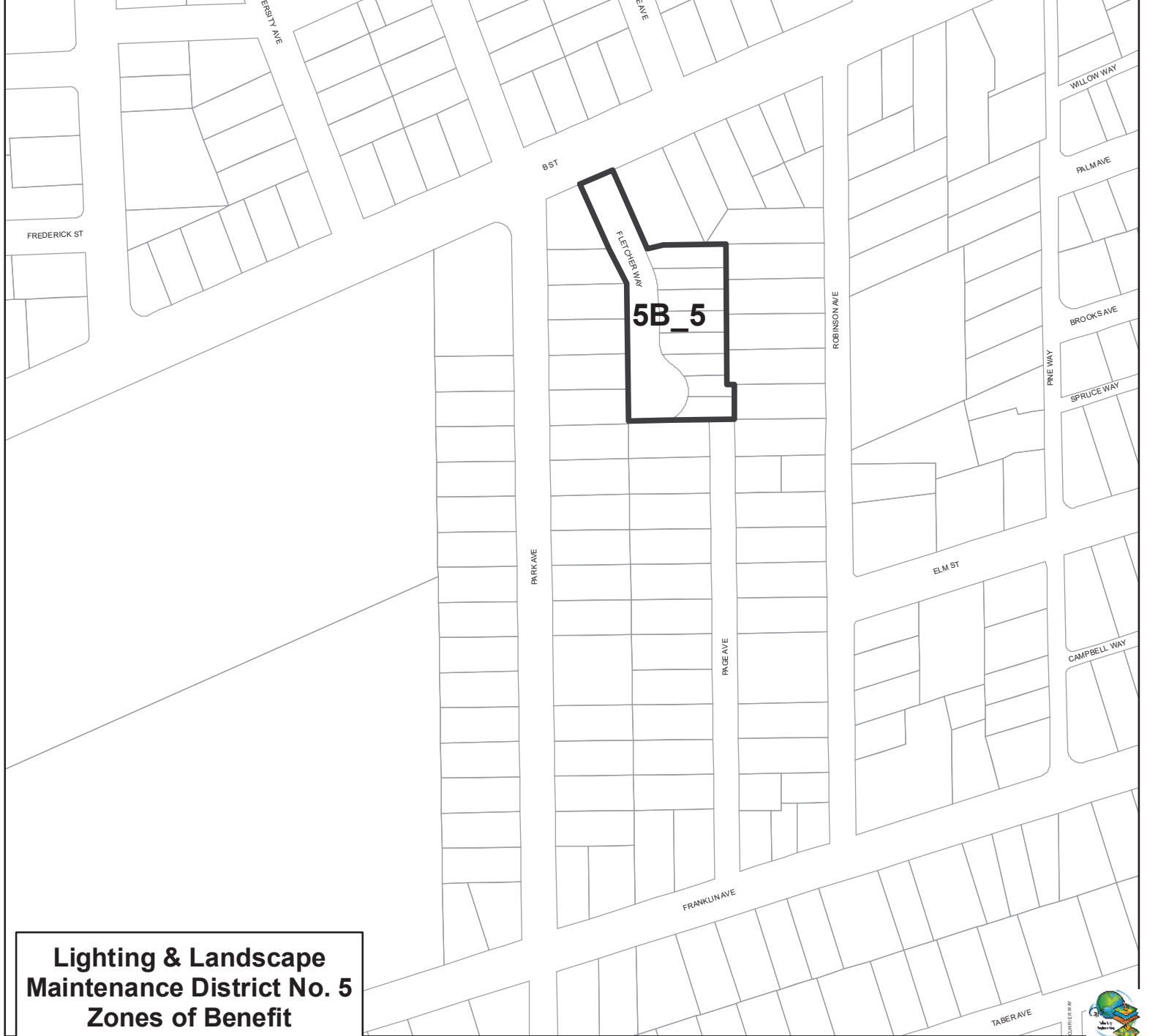
- Maintenance Districts
- City Limits



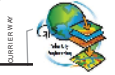


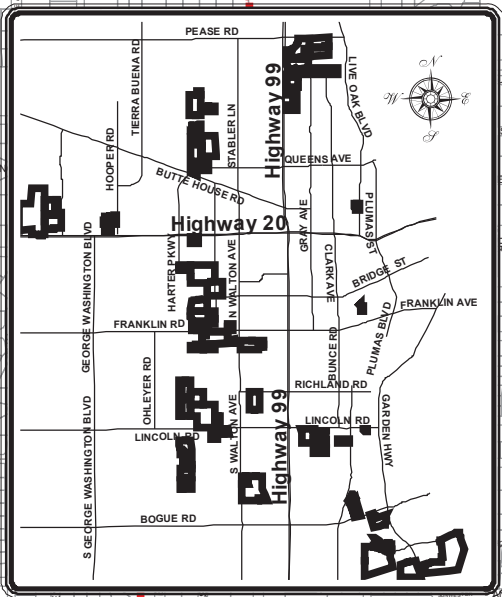
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-  Maintenance Districts
-  City Limits



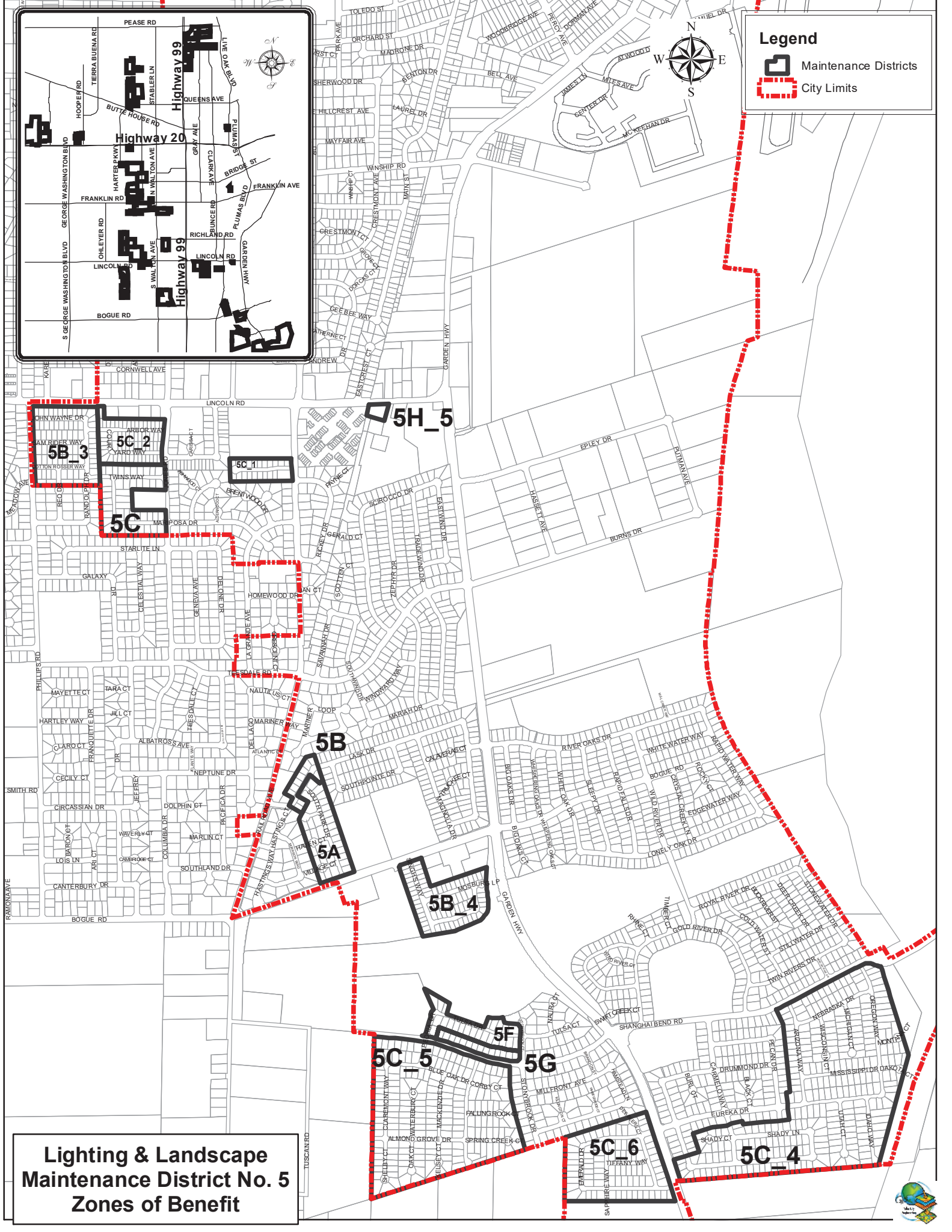
**Lighting & Landscape
Maintenance District No. 5
Zones of Benefit**





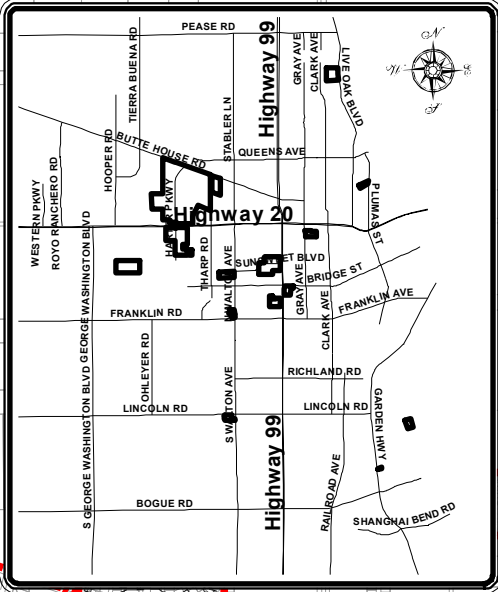
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- Maintenance Districts
- City Limits



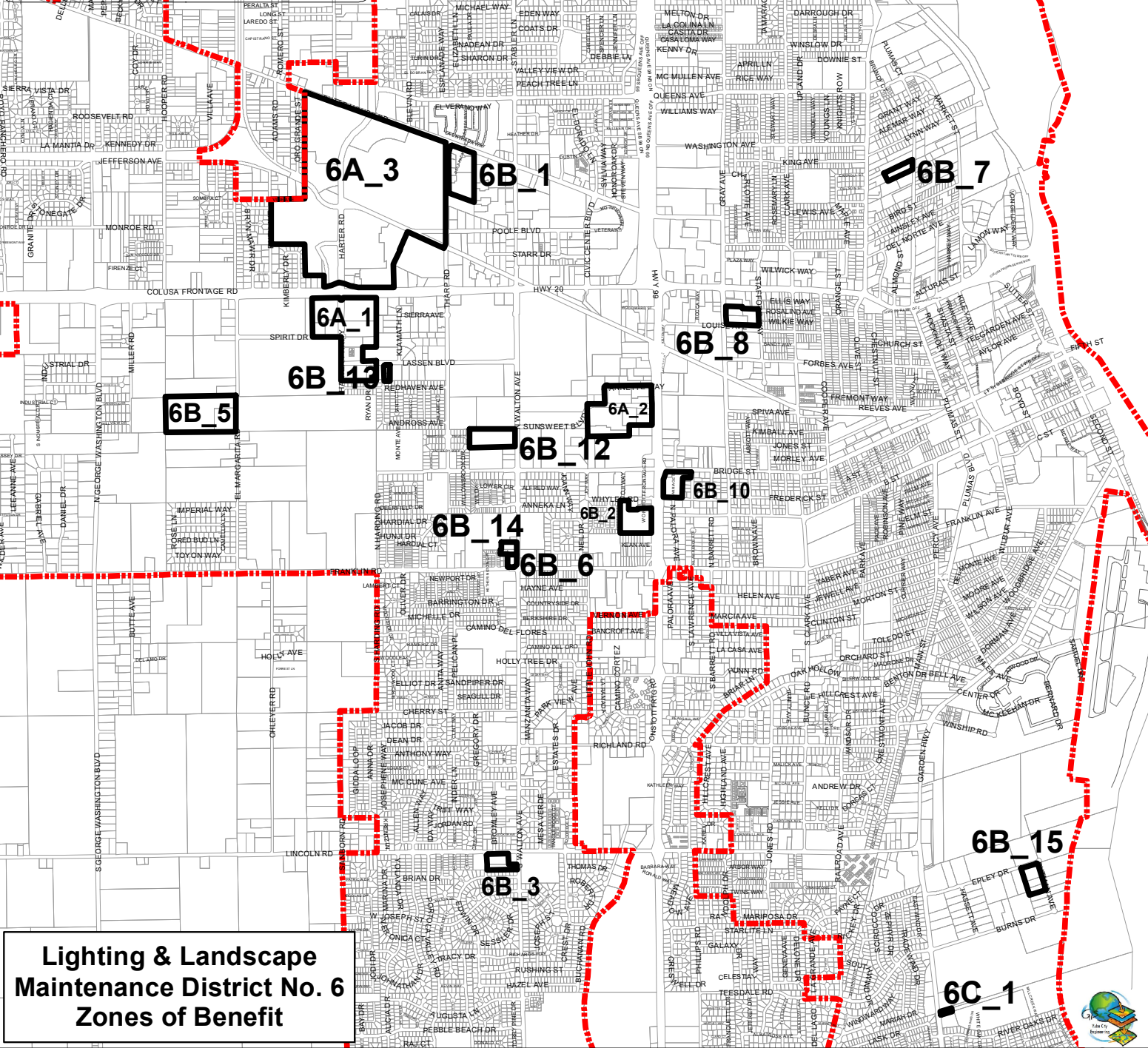
**Lighting & Landscape
Maintenance District No. 5
Zones of Benefit**





Legend

- Maintenance Districts
- City Limits



**Lighting & Landscape
Maintenance District No. 6
Zones of Benefit**



ATTACHMENT 2

DISTRICT 2-6 PROPOSED ASSESSMENTS

District	Zone of Benefit	FY 2022-23 Proposed Levy Rate (\$)	Change From Previous Year (\$)	Maximum Levy Rate Allowed (\$)
2	A	\$597.86	(\$4.62)	\$647.54
3	A	\$121.16	\$3.52	\$184.13
4	A	\$265.06	\$0.00	\$482.12
	B	\$265.06	\$0.00	\$652.92
	C	\$265.06	\$0.00	\$396.17
	D	\$265.06	\$0.00	\$354.95
5	A	\$156.26	(\$48.56)	\$234.92
	B	\$76.28	\$2.92	\$78.86
	C_1-9	\$170.26	\$40.02	\$170.26
	C_10	\$110.28	\$7.66	\$110.29
	D	\$159.52	\$38.56	\$233.80
	E	\$96.56	\$6.72	\$96.56
	F	\$129.02	\$11.62	\$189.97
	G	\$59.38	\$4.12	\$59.39
	H_1-8	\$38.16	\$2.66	\$38.16
	H_9	\$84.22	\$5.86	\$84.22
	I	\$80.02	\$5.56	\$80.03
	J	\$154.52	\$37.36	\$214.42
	K 1-17	\$240.36	\$11.65	\$303.37
	K_18	\$250.82	\$22.10	\$400.28
L	\$141.40	\$9.84	\$141.40	
6	A_1	\$305.15	\$0.89	\$327.02
	A_2	\$305.15	\$0.89	\$327.02
	A_3	\$305.15	\$0.89	\$327.02
	B_1	\$525.80	\$36.57	\$525.81
	B_2	\$483.12	\$33.62	\$483.13

District	Zone of Benefit	FY 2021-22 Proposed Levy Rate (\$)	Change From Previous Year (\$)	Maximum Levy Rate Allowed (\$)
6	B_3	\$332.36	\$23.12	\$332.36
	B_4	\$1,754.12	\$122.08	\$1,754.12
	B_5	\$0.00	\$0.00	\$501.18
	B_6	\$96.64	\$6.74	\$96.64
	B_7	\$96.64	\$6.74	\$96.64
	B_8	\$220.96	\$15.38	\$220.96
	B_9	\$437.44	\$30.44	\$437.45
	B_10	\$144.64	\$10.08	\$144.64
	B_12	\$166.70	\$11.60	\$166.70
	B_13	\$151.38	\$10.54	\$151.38
	B_14	\$171.04	\$11.89	\$171.04
	B_15	\$57.00	\$3.96	\$57.01
	C_1	\$535.66	\$37.26	\$535.67

ATTACHMENT 4



City of Yuba City

Lighting and Landscape Maintenance District No. 2 Zone of Benefit A (Town Center and Yuba City KFC)

2022/2023 ENGINEER'S ANNUAL LEVY REPORT

Initiation Meeting: June 21, 2022

Intent Meeting: July 19, 2022

Public Hearing: August 16, 2022

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City of Yuba City
Sutter County, State of California

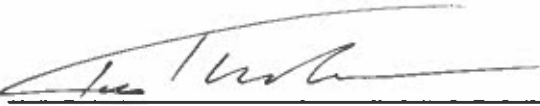
Yuba City Lighting and Landscape Maintenance District No. 2 Zone of Benefit A (Town Center)

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2022/2023, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Sutter County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 19th day of July, 2022.

Willdan Financial Services
Assessment Engineer

By: 

Tony Thrasher
Senior Project Manager
District Administration Services

By: 

Tyrone Peter
PE # C 81888



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I. OVERVIEW

A. INTRODUCTION

The City of Yuba City (“City”) annually levies and collects special assessments in order to maintain and service landscape improvements that provide special benefit to the Yuba City Lighting and Landscape Maintenance District (“District”). The District is annually levied pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (“1972 Act”). The District assessments were approved by the property owners of record through a protest ballot proceeding at the time the District was formed in compliance with the substantive and procedural requirements of the California Constitution Article XIID (“Article XIID”).

This Engineer’s Annual Levy Report (“Report”) has been prepared in accordance with the provisions of Chapter 3, Section 22622 of the 1972 Act. This Report describes the District, the improvements therein, any annexations or other modifications to the District including any substantial changes to the improvements, the method of apportionment, the boundaries of the District, and financial information including the district budgets and proposed annual assessments for Fiscal Year 2022/2023. The proposed assessments are based on the historic and estimated costs to maintain the improvements that provide a direct and special benefit to properties within the District. The costs of improvements and the annual levy including all expenditures, deficits, surpluses, revenues, and reserves are assessed to each parcel within the District proportionate to the parcel’s special benefits.

For the purposes of this Report, the word “parcel” refers to an individual property assigned its own Assessor Parcel Number (“APN”) by the County of Sutter (“County”) Assessor’s Office. The County Auditor/Controller uses APNs and specific fund numbers to identify properties assessed for special district benefit assessments on the tax roll.

The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel within the District. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid APN for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate contained in this Report as approved by the City Council.

B. COMPLIANCE WITH CURRENT LEGISLATION

On November 6, 1996, California voters approved Proposition 218 by a margin of 56.5% to 43.5%. All assessments described in this Report and approved by the City Council are prepared in accordance with the Act and are in compliance with the provisions of the California Constitution Article XIID (Proposition 218).

Pursuant to the California Constitution Article XIID Section 5, certain existing assessments are exempt from the substantive and procedural requirements of Article XIID Section 4 and property owner balloting for the assessments is not required until such time that the assessments are increased. Specifically, the City determined that all improvements and the annual assessments originally established for the District were part of the conditions of property development and approved by the original property owner (developer). As such, pursuant to Article XIID Section 5(b), all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts are exempt from the procedural requirements Article XIID Section 4.

The District has been formed pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code. Pursuant to the 1972 Act, an annual Public Hearing is conducted by the City Council to accept property owner and public comments, to review the Engineer's Annual Levy Report prior to approving the annual assessments to be levied on the County tax rolls. The assessments described in this Report have been prepared in accordance with the 1972 Act.

The City affirms that the assessments contained in this report were imposed in accordance with a consent and waiver by 100% of the property owners as part of the original development approval for the properties within the District. Therefore, the City has determined that pursuant to Article XIID Section 5(b) the maximum assessment previously approved and levied for this District prior to the passage of Proposition 218 are considered exempt, provided the assessments are not increased above these previously approved maximum assessment rates.

The proposed annual levy of assessments for fiscal year commencing July 1, 2022 and ending June 30, 2023 (Fiscal Year 2022/2023) as described in this Report have been prepared and made pursuant to the provisions of the 1972 Act and are consistent with the assessments previously approved and adopted by the City Council. The assessments described herein for fiscal year 2022/2023 do not exceed the maximum assessment rates authorized and are therefore in compliance with the provisions of the California Constitution Article XIID.

II. PLANS AND SPECIFICATIONS

Yuba City Lighting and Landscape Maintenance District No. 2 is comprised of one benefit area, known as Zone of Benefit A (Town Center and Yuba City KFC).

The Zone of Benefit A (“Zone A”) consists of 14 commercial lots: 13 lots in the Town Center area and the Yuba City Kentucky Fried Chicken (KFC). The Town Center Area is located along the frontage of Plumas Street (including median), C Street, Percy Avenue, B Street and Franklin Avenue. The Yuba City KFC is located south of Bridge Street, west of Shasta Street, east of Plumas Street and north of A Street.

A. DESCRIPTION OF THE IMPROVEMENTS

The District improvements provide for the ongoing maintenance and servicing of landscaping material, irrigation systems, and street lighting in the Town Center Area along the frontage of Plumas Street (including median), C Street, Percy Avenue, B Street and Franklin Avenue.

Provisions of the 1972 Act

As generally defined, the improvements and the associated assessments for any District formed pursuant to the 1972 Act may include one or any combination of the following:

- 1) The installation or planting of landscaping.
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- 3) The installation or construction of public lighting facilities, including, but not limited to streetlights and traffic signals.
- 4) The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof; including but not limited to, grading, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- 5) The installation of park or recreational improvements including, but not limited to the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts and public restrooms.
- 6) The maintenance or servicing, or both, of any of the foregoing including the furnishing of services and materials for the ordinary and usual

maintenance, operation, and servicing of any improvement, including, but not limited to:

- a) Repair, removal, or replacement of all or any part of any improvements.
 - b) Grading, clearing, removal of debris, the installation, repair or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
 - c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
 - d) The removal of trimmings, rubbish, debris, and other solid waste.
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.
 - f) Electric current or energy, gas, or other agent for the lighting or operation of any other improvements.
 - g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 7) The acquisition of land for park, recreational or open-space purposes, or the acquisition of any existing improvement otherwise authorized by the 1972 Act.
- 8) Incidental expenses associated with the improvements including, but not limited to:
- a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment.
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices.
 - c) Compensation payable to the County for collection of assessments.
 - d) Compensation of any engineer or attorney employed to render services.
 - e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.
 - f) Costs associated with any elections held for the approval of a new or increased assessment.

III. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments in the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on estimated benefit to each parcel.

In addition, pursuant to the Article XIIID Section 4, a parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel and provides that only special benefits are assessable and the District must separate the general benefits from the special benefits.

B. BENEFIT ANALYSIS

Each of the improvements and the associated costs has been carefully reviewed and the corresponding assessments have been proportionately spread to each parcel based on special benefits received from the improvements. The installation of the improvements was part of the conditions of property development. The property owners approved the corresponding assessments for the ongoing maintenance and servicing of the improvements through a property owner protest ballot.

Special Benefits — the method of apportionment (assessment methodology) is based on the premise that each of the assessed parcels within the District receives benefit from the improvements maintained and financed by annual assessments. Specifically, the assessments are for the maintenance of landscaped improvements installed as part of the original development. The desirability of properties within the District is enhanced by the presence of well-maintained landscaping in close proximity to those properties.

The special benefits associated with the local landscaping improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties within the Zones providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, and dust and debris control.
- Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti.
- Enhanced environmental quality of the parcels within the Zones by moderating temperatures, providing oxygenation and attenuating noise.

General Benefits - the improvements to be provided and maintained by the District are a direct result of property development within the District and would otherwise not be required or necessary. Developers typically install local improvements to enhance the marketability and value of properties within the development and/or as conditions of development. In either case, the improvements are clearly installed for the benefit of the properties being developed and not for the benefit of surrounding properties outside the District boundaries. Although local development improvements (by virtue of their location) may be visible to surrounding properties, any benefit to surrounding properties is incidental and cannot be considered a direct and special benefit. Furthermore, most developments within the City typically have various landscaping and lighting improvements specifically associated with their development and these improvements are funded by properties within those developments.

At the time of formation of the Assessment District, the majority of the benefit was special, and there was a small general benefit. The engineer of record between Fiscal Year 2012/2013 and Fiscal Year 2015/2016, further quantified this small general benefit.

The specific language from the most recent Engineer's Report used to describe General Benefit is as follows:

The maintenance and servicing of these improvements is also partially refunded, directly and indirectly from other sources including Yuba City, Sutter County and the State of California. This funding comes in the form

of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.) This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment District.

The General Benefits from this assessment may be quantified as illustrated in the following table.

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Creation of parcels	90	0%	0
Extention of recreation area	2	10%	0.2
Proximity to improved parks and recreation facilities	2	10%	0.2
Access to improved parks, open space and rec areas	2	10%	0.2
Improved views	2	10%	0.2
Improved nighttime visibility and safety from streetlights	2	20%	0.4
Totals	100		1.2
<i>Total Calculated General Benefit</i>			1.2%

As a result, Yuba City will contribute at least 1.2% of the total budget from sources other than the assessment. This contribution offsets any general benefits from the Assessment Services.

This general benefit contribution is the sum of the following components:

Yuba City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment District improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation and replacement of the curb and gutter is conservatively estimated to be 1%.

Yuba City owns and maintains a storm drainage system along the border of the Assessment District improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

Yuba City owns and maintains local public streets along the border of the Assessment District improvements. These public streets provide access to

the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this “annuity” can be used to offset general benefit costs, and is conservatively estimated to contribute 25%.

Therefore, the total General Benefit is conservatively quantified at 1.2%, which is more than offset by the total non-assessment contribution towards general benefit of 28%.⁽¹⁾

C. ASSESSMENT METHODOLOGY

The level of special benefit received by each parcel in the zone is considered to be equal. Therefore, the estimated annual costs of the improvements are apportioned equally to all parcels within the zone, developed or undeveloped.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility rights-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has specific development restrictions. These types of parcels are considered to receive little or no benefit from the improvements and therefore are not assessed.

D. ASSESSMENT RANGE FORMULA

Any new or increased assessments require voting, certain noticing, and meeting requirements. Article XIID added specific requirements including an assessment ballot and weighted tabulation of the ballots to determine if majority protest exists at the Public Hearing. In Fiscal Year 1993/1994 the Brown Act (*Government Code Section 54954.6(o)*) changed the definition of the term “*new or increased assessment*” to exclude certain conditions. These conditions included “*any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency and approved by the voters in the area where the assessment is imposed.*” This definition for a new or increased assessment was also addressed in Senate Bill 919 (the Proposition 218 implementation statutes).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments.

⁽¹⁾ *SCI Consulting Group (September 2015). City of Yuba City Landscape Maintenance Assessment District No. 2 Engineer's Report, Fiscal Year 2015/2016. pgs 13-16.*

Generally, if the proposed annual assessment (levy per unit or rate) for the current fiscal year is less than or equals to the "Maximum Assessment" (or "Adjusted Maximum Assessment"), then the proposed annual assessment is not considered an increased assessment. The Maximum Assessment is equal to the Assessment approved by property owners adjusted annually by the following criteria:

- 1) Each fiscal year, the Maximum Assessment will be recalculated.
- 2) The new adjusted Maximum Assessment for the year represents the prior year's Maximum Assessment adjusted by the percentage change from the previous year to the current year based on the "All Urban Consumers" Consumer Price Index, US City Average (CPI), as compiled by the United States Department of Labor Statistics. Effective Fiscal Year 2017/2018, the CPI month for annual adjustment has changed to January.
- 3) The Maximum Assessment is adjusted each year independently from the annual assessment. While the actual amount assessed may fluctuate each year, the maximum will continue to be increased and in any given year, the assessment may be applied at the Maximum Assessment.

The Maximum Assessment is adjusted annually and is calculated independently of the District's annual budget and proposed annual assessment. Any proposed annual assessment (rate per equivalent dwelling unit) less than or equal to this Maximum Assessment is not considered an increased assessment, even if the proposed assessment is greater than the assessment applied in the prior fiscal year. The City Council may reduce or freeze the Maximum Assessment at any time by amending the Engineer's Annual Report.

Although the Maximum Assessment will normally increase each year, the actual District assessments may remain virtually unchanged. The Maximum Assessment adjustment is designed to establish a reasonable limit on District assessments. The Maximum Assessment calculated each year does not require or facilitate an increase to the annual assessment and neither does it restrict assessments to the adjustment maximum amount. If the budget and assessments for the fiscal year does not require an increase, or the increase is less than the adjusted Maximum Assessment, then the required budget and assessment may be applied without additional property owner balloting. If the budget and assessments calculated requires an increase greater than the adjusted Maximum Assessment, then the assessment is considered an increased assessment. To impose an increased assessment, the City Council

must comply with the provisions of Article XIID Section 4(c) of the California Constitution, which requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve the proposed assessment increase. If the proposed assessment is approved, then a new Maximum Assessment is established for the District. If the proposed assessment is not approved, the City Council may not levy an assessment greater than the adjusted Maximum Assessment previously established for the District.

IV. DISTRICT BUDGET FY 2022/2023

The following provides the proposed budget and associated increased maximum assessment commencing in Fiscal Year 2022/2023. This budget includes the City's estimate of anticipated expenditures, deficits, surpluses, revenues, and reserve fund balances associated with providing appropriate and adequate annual maintenance and operation of the improvements associated with each zone. The resulting maximum assessment rate established for each zone is based on the budget information presented herein and shall be used to calculate each parcel's proportional assessment obligation in accordance with the method of apportionment outlined in this Report.

Based on the budget information on the following page, the maximum assessment rate for Zone A will be \$647.54 per EBU for Fiscal Year 2022/2023.

BUDGET ITEM	Zone 2A
DIRECT COSTS	
Heat/Power Utility	\$9,173.85
Street Lights Power Utility	0.00
Professional Services	22,080.11
Water Utility	1,416.90
Materials & Supplies	420.00
LMD Lights	0.00
Landscape Labor	5,140.00
Direct Costs Subtotal	\$38,230.86
ADMINISTRATION COSTS	
City Administration Costs	\$1,953.00
Willdan Financial Services Administration Fees	847.43
County Administration Fee	4.20
Miscellaneous Administration Expenses	0.00
Administrative Costs Subtotal	\$2,804.63
CAPITAL IMPROVEMENT EXPENSES	
	\$0.00
LEVY BREAKDOWN	
Total Direct and Admin. Costs	\$41,035.48
Operating Reserve Collection	17,695.23
Capital Reserve Collection	26,000.00
Levy Breakdown Subtotal	\$84,730.71
LEVY ADJUSTMENTS	
Operating Reserve Contribution	\$0.00
Capital Reserve Contribution	0.00
Additional City Contribution	0.00
Estimated Interest Earnings	(1,359.39)
Rounding Adjustment	0.24
Levy Adjustments Subtotal	(\$1,359.15)
BALANCE TO LEVY	
	\$83,371.56
OPERATING RESERVE	
Estimated Balance at June 30, 2022	\$67,969.64
FY2022/2023 Collection/(Contribution)	17,695.23
GF Gateway Maintenance Transfer	0.00
Estimated Balance at June 30, 2023	\$85,664.87
CAPITAL IMPROVEMENT RESERVE	
Estimated Balance at June 30, 2022	\$0.00
FY2022/2023 Collection/(Contribution)	26,000.00
Estimated Balance at June 30, 2023	\$26,000.00
DISTRICT STATISTICS	
Total Parcels	14
Total Parcels Levied	14
Total EBU	139.45
Levy per EBU (2022/2023)	\$597.86
Maximum Levy per EBU - 2021/2022	\$602.48
CPI Increase per EBU (7.48%)	\$45.06
Maximum Levy per EBU - 2022/2023	\$647.54
Maximum Levy Amount - 2022/2023	\$90,299.94

Appendix A - DISTRICT BOUNDARY MAPS

The original District assessment diagrams including the diagram for Zone of Benefit A were previously approved and submitted to the City in the format required by the 1972 Act. These diagrams are on file in the Office of the City Clerk and by reference are made part of this Report.

The following is a reproduction of the County Assessor's Parcel Map associated with this District.

Yuba City Landscape Maintenance District No. 2



Appendix B - 2022/2023 ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the Sutter County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within this District, along with the assessment amounts, is included on the following page. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility rights-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has specific development restrictions. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.



City of Yuba City

Lighting and Landscape Maintenance District No. 3 Zone of Benefit A (Palisades Subdivision)

2022/2023 ENGINEER'S ANNUAL LEVY REPORT

Initiation Meeting: June 21, 2022

Intent Meeting: July 19, 2022

Public Hearing: August 16, 2022

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ENGINEER'S REPORT AFFIDAVIT

City of Yuba City
Sutter County, State of California

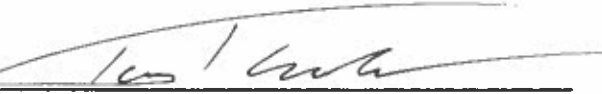
Yuba City Lighting and Landscape Maintenance District No. 3 Zone of Benefit A (Palisades Subdivision)

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2022/2023, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Sutter County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 19th day of July, 2022.

Willdan Financial Services
Assessment Engineer

By: 

Tony Thrasher
Senior Project Manager
District Administration Services

By: 

Tyrone Peter
PE # C 81888



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I. OVERVIEW

A. INTRODUCTION

The City of Yuba City (“City”) annually levies and collects special assessments in order to maintain and service landscape improvements that provide special benefit to the Yuba City Lighting and Landscape Maintenance District (“District”). The District is annually levied pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (“1972 Act”). The District assessments were approved by the property owners of record through a protest ballot proceeding at the time the District was formed in compliance with the substantive and procedural requirements of the California Constitution Article XIID (“Article XIID”).

This Engineer’s Annual Levy Report (“Report”) has been prepared in accordance with the provisions of Chapter 3, Section 22622 of the 1972 Act. This Report describes the District, the improvements therein, any annexations or other modifications to the District including any substantial changes to the improvements, the method of apportionment, the boundaries of the District, and financial information including the district budgets and proposed annual assessments for Fiscal Year 2022/2023. The proposed assessments are based on the historic and estimated costs to maintain the improvements that provide a direct and special benefit to properties within the District. The costs of improvements and the annual levy including all expenditures, deficits, surpluses, revenues, and reserves are assessed to each parcel within the District proportionate to the parcel’s special benefits.

For the purposes of this Report, the word “parcel” refers to an individual property assigned its own Assessor Parcel Number (“APN”) by the County of Sutter (“County”) Assessor’s Office. The County Auditor/Controller uses APNs and specific fund numbers to identify properties assessed for special district benefit assessments on the tax roll.

Pursuant to Chapter 3, beginning with Section 22620 of the 1972 Act, the City Council shall conduct a noticed annual public hearing to consider all public comments and written protests regarding the District. Following the annual public hearing and review of the Report, the City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and confirmation of the assessments contained therein, the City Council will by resolution: order the improvements to be made and confirm the levy and collection of assessments pursuant to Chapter 4, Article 1, beginning with Section 22640 of the 1972 Act. The assessment rate and method of apportionment described in this Report as approved or modified by the City Council defines the assessments to be applied to each parcel within the District for Fiscal Year 2022/2023.

The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel within the District. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate contained in this Report as approved by the City Council.

B. COMPLIANCE WITH CURRENT LEGISLATION

On November 6, 1996, California voters approved Proposition 218 by a margin of 56.5% to 43.5%. All assessments described in this Report and approved by the City Council are prepared in accordance with the Act and are in compliance with the provisions of the California Constitution Article XIID (Proposition 218).

Pursuant to the California Constitution Article XIID Section 5, certain existing assessments are exempt from the substantive and procedural requirements of Article XIID Section 4 and property owner balloting for the assessments is not required until such time that the assessments are increased. Specifically, the City determined that all improvements and the annual assessments originally established for the District were part of the conditions of property development and approved by the original property owner (developer). As such, pursuant to Article XIID Section 5(b), all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts are exempt from the procedural requirements Article XIID Section 4.

The District has been formed pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code. Pursuant to the Act, an annual Public Hearing is conducted by the City Council to accept property owner and public comments, to review the Engineer's Annual Levy Report prior to approving the annual assessments to be levied on the County tax rolls. The assessments described in this Report have been prepared in accordance with the Act.

The City affirms that the assessments contained in this report were imposed in accordance with a consent and waiver by 100% of the property owners as part of the original development approval for the properties within the District. Therefore, the City has determined that pursuant to Article XIID Section 5(b) the maximum assessment previously approved and levied for this District prior to the passage of Proposition 218 are considered exempt, provided the assessments are not increased above these previously approved maximum assessment rates.

The proposed annual levy of assessments for fiscal year commencing July 1, 2022 and ending June 30, 2023 (Fiscal Year 2022/2023) as described in this Report have been prepared and made pursuant to the provisions of the 1972 Act and are consistent with the assessments previously approved and adopted by the City Council. The assessments described herein for fiscal year 2022/2023 do not exceed the maximum assessment rates authorized and are therefore in compliance with the provisions of the California Constitution Article XIID.

II. PLANS AND SPECIFICATIONS

A. DESCRIPTION OF THE DISTRICT

The District Zone of Benefit A (“Zone A”) is comprised of 88 residential lots in the Palisades Subdivision.

B. DESCRIPTION OF THE IMPROVEMENTS

The District improvements provide for the ongoing maintenance and servicing of a detention pond, street trees and a pond landscape strip, and twelve street lights, which benefit parcels in Phases 1 and 2.

Provisions of the 1972 Act

As generally defined, the improvements and the associated assessments for any District formed pursuant to the 1972 Act may include one or any combination of the following:

- 1) The installation or planting of landscaping.
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- 3) The installation or construction of public lighting facilities, including, but not limited to streetlights and traffic signals.
- 4) The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof; including but not limited to, grading, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- 5) The installation of park or recreational improvements including, but not limited to the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts and public restrooms.

- 6) The maintenance or servicing, or both, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including, but not limited to:
 - a) Repair, removal, or replacement of all or any part of any improvements.
 - b) Grading, clearing, removal of debris, the installation, repair or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
 - c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
 - d) The removal of trimmings, rubbish, debris, and other solid waste.
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.
 - f) Electric current or energy, gas, or other agent for the lighting or operation of any other improvements.
 - g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 7) The acquisition of land for park, recreational or open-space purposes, or the acquisition of any existing improvement otherwise authorized by the 1972 Act.
- 8) Incidental expenses associated with the improvements including, but not limited to:
 - a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment.
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices.
 - c) Compensation payable to the County for collection of assessments.
 - d) Compensation of any engineer or attorney employed to render services.
 - e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.
 - f) Costs associated with any elections held for the approval of a new or increased assessment.

III. METHOD OF APPORTIONMENT

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments in the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on estimated benefit to each parcel.

In addition, pursuant to the Article XIID Section 4, a parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel and provides that only special benefits are assessable, and the District must separate the general benefits from the special benefits.

A. BENEFIT ANALYSIS

Each of the improvements and the associated costs has been carefully reviewed and the corresponding assessments have been proportionately spread to each parcel based on special benefits received from the improvements. The installation of the improvements was part of the conditions of property development. The property owners approved the corresponding assessments for the ongoing maintenance and servicing of the improvements through a property owner protest ballot.

Special Benefits — the method of apportionment (assessment methodology) is based on the premise that each of the assessed parcels within the District receives benefit from the improvements maintained and financed by annual assessments. Specifically, the assessments are for the maintenance of landscaped improvements installed as part of the original development. The desirability of properties within the District is enhanced by the presence of well-maintained landscaping in close proximity to those properties.

The special benefits associated with the local landscaping improvements are specifically:

- Enhanced desirability of properties through association with the improvements.

- Improved aesthetic appeal of properties within the Zones providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, and dust and debris control.
- Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti.
- Enhanced environmental quality of the parcels within the Zones by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits of street lighting are the convenience, safety, and security of property, improvements, and goods. Specifically:

- Enhanced deterrence of crime and to aid police protection.
- Increased nighttime safety on roads and highways.
- Improved ability of pedestrians and motorists to see.
- Improved ingress and egress to property.
- Reduced vandalism and other criminal acts and damage to improvements or property.
- Improved traffic circulation and reduced nighttime accidents and personal property loss.
- Increased promotion of business during nighttime hours in the case of commercial properties.

All of the preceding special benefits contribute to a specific enhancement and desirability of each of the assessed parcels within the District.

General Benefits - the improvements to be provided and maintained by the District are a direct result of property development within the District and would otherwise not be required or necessary. Developers typically install local improvements to enhance the marketability and value of properties within the development and/or as conditions of development. In either case, the improvements are clearly installed for the benefit of the properties being developed and not for the benefit of surrounding properties outside the District boundaries. Although local development improvements (by virtue of their location) may be visible to surrounding properties, any benefit to surrounding

properties is incidental and cannot be considered a direct and special benefit. Furthermore, most developments within the City typically have various landscaping and lighting improvements specifically associated with their development and these improvements are funded by properties within those developments.

At the time of formation of the Assessment District, the majority of the benefit was special, and there was a small general benefit. The engineer of record between Fiscal Year 2012/2013 and Fiscal Year 2015/2016, further quantified this small general benefit.

The specific language from the most recent Engineer’s Report used to describe General Benefit is as follows:

The maintenance and servicing of these improvements is also partially refunded, directly and indirectly from other sources including Yuba City, Sutter County and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.) This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment District.

The General Benefits from this assessment may be quantified as illustrated in the following table.

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Creation of parcels	90	0%	0
Extention of recreation area	2	10%	0.2
Proximity to improved parks and recreation facilities	2	10%	0.2
Access to improved parks, open space and rec areas	2	10%	0.2
Improved views	2	10%	0.2
Improved nighttime visibility and safety from streetlights	2	20%	0.4
Totals	100		1.2
Total Calculated General Benefit			1.2%

As a result, Yuba City will contribute at least 1.2% of the total budget from sources other than the assessment. This contribution offsets any general benefits from the Assessment Services.

This general benefit contribution is the sum of the following components:

Yuba City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment District improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation and replacement of the curb and gutter is conservatively estimated to be 1%.

Yuba City owns and maintains a storm drainage system along the border of the Assessment District improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

Yuba City owns and maintains local public streets along the border of the Assessment District improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this “annuity” can be used to offset general benefit costs, and is conservatively estimated to contribute 25%.

Therefore, the total General Benefit is conservatively quantified at 1.2%, which is more than offset by the total non-assessment contribution towards general benefit of 28%.⁽¹⁾

B. ASSESSMENT METHODOLOGY

The cost of annual operation and maintenance of the pond and the street trees and pond landscape strip has been apportioned equally to all 88 lots, developed or undeveloped, within the District. The cost of annual maintenance of the twelve street lights will be spread equally over all 88 lots in Phases 1 and 2.

⁽¹⁾ *SCI Consulting Group (September 2015). City of Yuba City Landscape Maintenance Assessment District No. 3 Engineer’s Report, Fiscal Year 2015-16. pgs 13-16.*

C. ASSESSMENT RANGE FORMULA

Any new or increased assessments require voting, certain noticing, and meeting requirements. Article XIID added specific requirements including an assessment ballot and weighted tabulation of the ballots to determine if majority protest exists at the Public Hearing. In Fiscal Year 1993/1994 the Brown Act (*Government Code Section 54954.6(o)*) changed the definition of the term “*new or increased assessment*” to exclude certain conditions. These conditions included “*any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency and approved by the voters in the area where the assessment is imposed.*” This definition for a new or increased assessment was also addressed in Senate Bill 919 (the Proposition 218 implementation statutes).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments.

Generally, if the proposed annual assessment (levy per unit or rate) for the current fiscal year is less than or equals to the “Maximum Assessment” (or “Adjusted Maximum Assessment”), then the proposed annual assessment is not considered an increased assessment. The Maximum Assessment is equal to the Assessment approved by property owners adjusted annually by the following criteria:

- 1) Each fiscal year, the Maximum Assessment will be recalculated.
- 2) The new adjusted Maximum Assessment for the year represents the prior year’s Maximum Assessment adjusted by the percentage change from the previous year to the current year based on the “All Urban Consumers” Consumer Price Index, US City Average (CPI), as compiled by the United States Department of Labor Statistics. Effective Fiscal Year 2017/2018, the CPI month for annual adjustment has changed to January.
- 3) The Maximum Assessment is adjusted each year independently from the annual assessment. While the actual amount assessed may fluctuate each year, the maximum will continue to be increased and in any given year, the assessment may be applied at the Maximum Assessment.

The Maximum Assessment is adjusted annually and is calculated independently of the District’s annual budget and proposed annual assessment. Any proposed annual assessment (rate per equivalent dwelling unit) less than or equal to this Maximum Assessment is not considered an increased assessment, even if the proposed assessment is greater than the assessment applied in the prior fiscal year. The City Council may reduce or freeze the Maximum Assessment at any time by amending the Engineer’s Annual Report.

Although the Maximum Assessment will normally increase each year, the actual District assessments may remain virtually unchanged. The Maximum Assessment adjustment is designed to establish a reasonable limit on District assessments. The Maximum Assessment calculated each year does not require or facilitate an increase to the annual assessment and neither does it restrict assessments to the adjustment maximum amount. If the budget and assessments for the fiscal year does not require an increase, or the increase is less than the adjusted Maximum Assessment, then the required budget and assessment may be applied without additional property owner balloting. If the budget and assessments calculated requires an increase greater than the adjusted Maximum Assessment, then the assessment is considered an increased assessment. To impose an increased assessment, the City Council must comply with the provisions of Article XIID Section 4(c) of the California Constitution, which requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve the proposed assessment increase. If the proposed assessment is approved, then a new Maximum Assessment is established for the District. If the proposed assessment is not approved, the City Council may not levy an assessment greater than the adjusted Maximum Assessment previously established for the District.

IV. DISTRICT BUDGET FY 2022/2023

The following provides the proposed budget and associated increased maximum assessment commencing in Fiscal Year 2022/2023. This budget includes the City's estimate of anticipated expenditures, deficits, surpluses, revenues, and reserve fund balances associated with providing appropriate and adequate annual maintenance and operation of the improvements associated with each zone. The resulting maximum assessment rate established for each zone is based on the budget information presented herein and shall be used to calculate each parcel's proportional assessment obligation in accordance with the method of apportionment outlined in this Report.

Based on the budget information on the following page, the maximum assessment rate for Zone A will be \$184.13 per EBU for Fiscal Year 2022/2023.

BUDGET ITEM	Zone 3A
DIRECT COSTS	
Heat/Power Utility	\$101.41
Street Lights Power Utility	0.00
Professional Services	4,274.58
Water Utility	0.00
Materials & Supplies	525.00
LMD Lights	0.00
Landscape Labor	2,000.00
Direct Costs Subtotal	\$6,900.99
ADMINISTRATION COSTS	
City Administration Costs	\$1,279.00
Willdan Financial Services Administration Fees	469.44
County Administration Fee	26.40
Miscellaneous Administration Expenses	0.00
Administrative Costs Subtotal	\$1,774.84
CAPITAL IMPROVEMENT EXPENSES	\$0.00
LEVY BREAKDOWN	
Total Direct and Admin. Costs	\$8,675.83
Operating Reserve Collection	488.93
Capital Reserve Collection	2,000.00
Levy Breakdown Subtotal	\$11,164.76
LEVY ADJUSTMENTS	
Operating Reserve Contribution	\$0.00
Capital Reserve Contribution	0.00
Additional City Contribution	0.00
Estimated Interest Earnings	(501.53)
Rounding Adjustment	(1.15)
Levy Adjustments Subtotal	(\$502.68)
BALANCE TO LEVY	\$10,662.08
OPERATING RESERVE	
Estimated Balance at June 30, 2022	\$7,076.57
FY2022/2023 Collection/(Contribution)	488.93
Estimated Balance at June 30, 2023	\$7,565.50
CAPITAL IMPROVEMENT RESERVE	
Estimated Balance at June 30, 2022	\$18,000.00
FY2022/2023 Collection/(Contribution)	2,000.00
Estimated Balance at June 30, 2023	\$20,000.00
DISTRICT STATISTICS	
Total Parcels	88
Total Parcels Levied	88
Total EBU	88.00
Levy per EBU (2022/2023)	\$121.16
Maximum Levy per EBU - 2021/2022	\$171.32
CPI Increase per EBU (7.48%)	\$12.81
Maximum Levy per EBU - 2022/2023	\$184.13
Maximum Levy Amount - 2022/2023	\$16,203.05

Appendix A - DISTRICT BOUNDARY MAPS

The original assessment diagrams and tract maps for the District were previously approved and submitted to the City in the format required by the 1972 Act. These diagrams are on file in the Office of the City Clerk and by reference are made part of this Report.

The following is a reproduction of the County Assessor's Parcel Map associated with this District.

Appendix B - 2022/2023 ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the Sutter County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within this District, along with the assessment amounts, is included on the following pages. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility rights-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has specific development restrictions. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.



City of Yuba City

Lighting and Landscape Maintenance District No. 4 Zones of Benefit A, B, C & D (Butte Vista Neighborhood)

2022/2023 ENGINEER'S ANNUAL LEVY REPORT

Initiation Meeting: June 21, 2022

Intent Meeting: July 19, 2022

Public Hearing: August 16, 2022

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Temecula, CA 92590
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www.willdan.com



ENGINEER'S REPORT AFFIDAVIT

City of Yuba City
Sutter County, State of California

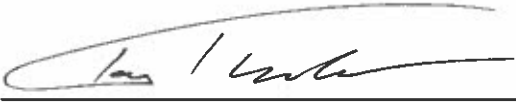
Yuba City Lighting and Landscape Maintenance District No. 4

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2022/2023, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Sutter County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 19th day of July, 2022.

Willdan Financial Services
Assessment Engineer

By: 

Tony Thrasher
Senior Project Manager
District Administration Services

By: 

Tyrone Peter
PE # C 81888



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I. OVERVIEW

A. INTRODUCTION

The City of Yuba City (“City”) annually levies and collects special assessments in order to maintain and service landscape improvements that provide special benefit to the Yuba City Lighting and Landscape Maintenance District (“District”). The District is annually levied pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (“1972 Act”). The District assessments were approved by the property owners of record through a protest ballot proceeding at the time the District was formed in compliance with the substantive and procedural requirements of the California Constitution Article XIID (“Article XIID”).

This Engineer’s Annual Levy Report (“Report”) has been prepared in accordance with the provisions of Chapter 3, Section 22622 of the 1972 Act. This Report describes the District, the improvements therein, any annexations or other modifications to the District including any substantial changes to the improvements, the method of apportionment, the boundaries of the District, and financial information including the district budgets and proposed annual assessments for Fiscal Year 2022/2023. The proposed assessments are based on the historic and estimated costs to maintain the improvements that provide a direct and special benefit to properties within the District. The costs of improvements and the annual levy including all expenditures, deficits, surpluses, revenues, and reserves are assessed to each parcel within the District proportionate to the parcel’s special benefits.

For the purposes of this Report, the word “parcel” refers to an individual property assigned its own Assessor Parcel Number (“APN”) by the County of Sutter (“County”) Assessor’s Office. The County Auditor/Controller uses APNs and specific fund numbers to identify properties assessed for special district benefit assessments on the tax roll.

Pursuant to Chapter 3, beginning with Section 22620 of the 1972 Act, the City Council shall conduct a noticed annual public hearing to consider all public comments and written protests regarding the District. Following the annual public hearing and review of the Report, the City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and confirmation of the assessments contained therein, the City Council will by resolution: order the improvements to be made and confirm the levy and collection of assessments pursuant to Chapter 4, Article 1, beginning with Section 22640 of the 1972 Act. The assessment rate and method of apportionment described in this Report as approved or modified by the City Council defines the assessments to be applied to each parcel within the District for Fiscal Year 2022/2023.

The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel within the District. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate contained in this Report as approved by the City Council.

B. COMPLIANCE WITH CURRENT LEGISLATION

On November 6, 1996, California voters approved Proposition 218 by a margin of 56.5% to 43.5%. All assessments described in this Report and approved by the City Council are prepared in accordance with the Act and are in compliance with the provisions of the California Constitution Article XIID (Proposition 218).

Pursuant to the California Constitution Article XIID Section 5, certain existing assessments are exempt from the substantive and procedural requirements of Article XIID Section 4 and property owner balloting for the assessments is not required until such time that the assessments are increased. Specifically, the City determined that all improvements and the annual assessments originally established for the District were part of the conditions of property development and approved by the original property owner (developer). As such, pursuant to Article XIID Section 5(b), all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts are exempt from the procedural requirements Article XIID Section 4.

The District has been formed pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code. Pursuant to the Act, an annual Public Hearing is conducted by the City Council to accept property owner and public comments, to review the Engineer's Annual Levy Report prior to approving the annual assessments to be levied on the County tax rolls. The assessments described in this Report have been prepared in accordance with the Act.

The City affirms that the assessments contained in this report were imposed in accordance with a consent and waiver by 100% of the property owners as part of the original development approval for the properties within the District. Therefore, the City has determined that pursuant to Article XIID Section 5(b) the maximum assessment previously approved and levied for this District prior to the passage of Proposition 218 are considered exempt, provided the assessments are not increased above these previously approved maximum assessment rates.

The proposed annual levy of assessments for fiscal year commencing July 1, 2022 and ending June 30, 2023 (Fiscal Year 2022/2023) as described in this Report have been prepared and made pursuant to the provisions of the 1972 Act and are consistent with the assessments previously approved and adopted by the City Council. The assessments described herein for Fiscal Year 2022/2023 do not exceed the maximum assessment rates authorized and are therefore in compliance with the provisions of the California Constitution Article XIID.

II. PLANS AND SPECIFICATIONS

A. DESCRIPTION OF THE DISTRICT

The District was formed to ensure the ongoing maintenance and servicing of local street lighting and landscaping improvements providing special benefit to the Butte Vista Neighborhood in the subdivisions in zones of benefit as shown on the Assessment Diagrams on file with the City Clerk. District Zone of Benefit A (“Zone A”) is comprised of 43 residential lots on a total of 14 acres in the Regency Park Estates Unit No. 1 area. District Zone of Benefit B (“Zone B”) is comprised of 28 residential lots on a total of 12 acres in the Regency Park Estates, Unit No. 2 area. District Zone of Benefit C (“Zone C”) is comprised of 160 residential lots on a total of 46.86 acres in the Regency Park Estates, Unit No. 3 and Butte Vista West Estates Units 1, 2 & 3. District Zone of Benefit D (“Zone D”) is comprised of 347 residential lots in the Butte Vista Estates-Units No. 1 & 2 and Stabler Park Estates-Units 1 & 2, Tres Picos Estates and Tres Picos West Estates.

B. DESCRIPTION OF THE IMPROVEMENTS

The District improvements include the annual maintenance and servicing of both neighborhood street lighting and landscaping facilities as well as local street lighting and landscaping facilities within the Benefit Zones A, B, C & D.

Neighborhood Lighting and Landscaping

Neighborhood street lighting facilities are all 100-watt street lights and include thirteen (13) lights on the south half of Pease Road, fourteen (14) lights on both sides of Stabler Lane, and eight (8) lights on Onstott Frontage Road. Neighborhood landscaping facilities include a detention pond, landscape medians on Pease Road, Stabler Lane and Buttes Vista, the landscape areas between the perimeter walls and the curb and gutter along Stabler Lane, Pease road and Onstott Frontage Road. The maintenance and servicing of these facilities comprise the Neighborhood Lighting and Landscaping improvements. Each new subdivision added to the district will be based on this design standard.

Each zone of benefit will share in the annual costs of the Neighborhood Lighting and Landscaping improvements based on the proportion that each zones subdivision area, as shown on each final map, is to the total 240 acres of the Butte Vista Neighborhood Plan.

Local (Zone) Lighting and Landscaping

Zone A provides the maintenance and servicing of 70-watt street lights, interior street trees, and a 410' by 16' landscape strip on Parc West Drive. Zone B provides the maintenance and servicing of 70-watt street lights, interior street trees, and a 480' by 16' landscape strip on Parc West Drive. Zone C provides the maintenance and servicing of 70-watt street lights, and interior street trees. Zone D provides the maintenance and servicing of 70-watt street lights, and interior street trees.

Provisions of the 1972 Act

As generally defined, the improvements and the associated assessments for any District formed pursuant to the 1972 Act may include one or any combination of the following:

- 1) The installation or planting of landscaping.
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- 3) The installation or construction of public lighting facilities, including, but not limited to streetlights and traffic signals.
- 4) The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof; including but not limited to, grading, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- 5) The installation of park or recreational improvements including, but not limited to the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts and public restrooms.
- 6) The maintenance or servicing, or both, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including, but not limited to:
 - a) Repair, removal, or replacement of all or any part of any improvements.

- b) Grading, clearing, removal of debris, the installation, repair or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
 - c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
 - d) The removal of trimmings, rubbish, debris, and other solid waste.
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.
 - f) Electric current or energy, gas, or other agent for the lighting or operation of any other improvements.
 - g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 7) The acquisition of land for park, recreational or open-space purposes, or the acquisition of any existing improvement otherwise authorized by the 1972 Act.
- 8) Incidental expenses associated with the improvements including, but not limited to:
- a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment.
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices.
 - c) Compensation payable to the County for collection of assessments.
 - d) Compensation of any engineer or attorney employed to render services.
 - e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.
 - f) Costs associated with any elections held for the approval of a new or increased assessment.

III. METHOD OF APPORTIONMENT

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments in the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on estimated benefit to each parcel.

In addition, pursuant to the Article XIID Section 4, a parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel and provides that only special benefits are assessable and the District must separate the general benefits from the special benefits.

A. BENEFIT ANALYSIS

Each of the improvements and the associated costs has been carefully reviewed and the corresponding assessments have been proportionately spread to each parcel based on special benefits received from the improvements. The installation of the improvements was part of the conditions of property development. The property owners approved the corresponding assessments for the ongoing maintenance and servicing of the improvements through a property owner protest ballot.

Special Benefits — The method of apportionment (assessment methodology) is based on the premise that each of the assessed parcels within the District receives benefit from the improvements maintained and financed by annual assessments. Specifically, the assessments are for the maintenance of local street lighting and landscaped improvements installed as part of the original development. The desirability and security of properties within the District are enhanced by the presence of street lighting and well-maintained landscaping in close proximity to those properties.

The special benefits associated with the local landscaping improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties within the Zones providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, and dust and debris control.

- Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti.
- Enhanced environmental quality of the parcels within the Zones by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits of street lighting are the convenience, safety, and security of property, improvements, and goods. Specifically:

- Enhanced deterrence of crime and to aid police protection.
- Increased nighttime safety on roads and highways.
- Improved ability of pedestrians and motorists to see.
- Improved ingress and egress to property.
- Reduced vandalism and other criminal acts and damage to improvements or property.
- Improved traffic circulation and reduced nighttime accidents and personal property loss.
- Increased promotion of business during nighttime hours in the case of commercial properties.

All of the preceding special benefits contribute to a specific enhancement and desirability of each of the assessed parcels within the District.

General Benefits - the improvements to be provided and maintained by the District are a direct result of property development within the District and would otherwise not be required or necessary. Developers typically install local improvements to enhance the marketability and value of properties within the development and/or as conditions of development. In either case, the improvements are clearly installed for the benefit of the properties being developed and not for the benefit of surrounding properties outside the District boundaries. Although local development improvements (by virtue of their location) may be visible to surrounding properties, any benefit to surrounding properties is incidental and cannot be considered a direct and special benefit. Furthermore, most developments within the City typically have various landscaping and lighting improvements specifically associated with their development and these improvements are funded by properties within those developments.

At the time of formation of the Assessment District, the majority of the benefit was special, and there was a small general benefit. The engineer of record

between Fiscal Year 2012/2013 and Fiscal Year 2015/2016, further quantified this small general benefit.

The specific language from the most recent Engineer’s Report used to describe General Benefit is as follows:

The maintenance and servicing of these improvements is also partially refunded, directly and indirectly from other sources including Yuba City, Sutter County and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.) This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment District.

The General Benefits from this assessment may be quantified as illustrated in the following table.

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Creation of parcels	90	0%	0
Extention of recreation area	2	10%	0.2
Proximity to improved parks and recreation facilities	2	10%	0.2
Access to improved parks, open space and rec areas	2	10%	0.2
Improved views	2	10%	0.2
Improved nighttime visibility and safety from streetlights	2	20%	0.4
Totals	100		1.2
<i>Total Calculated General Benefit</i>			1.2%

As a result, Yuba City will contribute at least 1.2% of the total budget from sources other than the assessment. This contribution offsets any general benefits from the Assessment Services.

This general benefit contribution is the sum of the following components:

Yuba City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment District improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation and replacement of the curb and gutter is conservatively estimated to be 1%.

Yuba City owns and maintains a storm drainage system along the border of the Assessment District improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

Yuba City owns and maintains local public streets along the border of the Assessment District improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this “annuity” can be used to offset general benefit costs, and is conservatively estimated to contribute 25%.

Therefore, the total General Benefit is conservatively quantified at 1.2%, which is more than offset by the total non-assessment contribution towards general benefit of 28%.⁽¹⁾

B. ASSESSMENT METHODOLOGY

For each of the zones of benefit, the level of special benefit received by each parcel in the zone is considered to be equal. Therefore, the estimated annual costs of the improvements for each zone of benefit are determined separately and are apportioned equally to all parcels, developed or undeveloped, within each zone of benefit.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility rights-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has specific development restrictions. These types of parcels are considered to receive little or no benefit from the improvements and therefore are not assessed.

⁽¹⁾ *SCI Consulting Group (September 2015). City of Yuba City Landscape Maintenance Assessment District No. 4 Engineer’s Report, Fiscal Year 2015-16. pgs 13-16.*

C. ASSESSMENT RANGE FORMULA

Any new or increase in assessments require certain noticing and meeting requirements by law. Prior to the passage of Proposition 218, legislative changes in the Brown Act defined the definition of “new or increased assessment” to exclude certain conditions. These conditions included “any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed.” This definition and conditions were later confirmed through SB919 (Proposition 218 implementation statutes).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments.

Generally, if the proposed annual assessment (levy per unit or rate) for the current fiscal year is less than or equals to the “Maximum Assessment” (or “Adjusted Maximum Assessment”), then the proposed annual assessment is not considered an increased assessment. The Maximum Assessment is equal to the initial Assessment approved by property owners adjusted annually by the following criteria:

- 1) Each fiscal year, the Maximum Assessment will be recalculated.
- 2) The new adjusted Maximum Assessment for the year represents the prior year’s Maximum Assessment adjusted by the percentage change from the previous year to the current year based on the “All Urban Consumers” Consumer Price Index, US City Average (CPI), as compiled by the United States Department of Labor Statistics. Effective Fiscal Year 2017/2018, the CPI month for annual adjustment has changed to January.
- 3) The Maximum Assessment is adjusted each year independently from the annual assessment. While the actual amount assessed may fluctuate each year, the maximum will continue to be increased and in any given year, the assessment may be applied at the Maximum Assessment.

The Maximum Assessment is adjusted annually and is calculated independently of the District’s annual budget and proposed annual assessment. Any proposed annual assessment (rate per equivalent dwelling unit) less than or equal to this Maximum Assessment is not considered an increased assessment, even if the proposed assessment is greater than the assessment applied in the prior fiscal year. The City Council may reduce or freeze the Maximum Assessment at any time by amending the Engineer’s Annual Report.

Although the Maximum Assessment will normally increase each year, the actual District assessments may remain virtually unchanged. The Maximum Assessment adjustment is designed to establish a reasonable limit on District assessments. The Maximum Assessment calculated each year does not require or facilitate an increase to the annual assessment and neither does it restrict assessments to the adjustment maximum amount. If the budget and assessments for the fiscal year does not require an increase, or the increase is less than the adjusted Maximum Assessment, then the required budget and assessment may be applied without additional property owner balloting. If the budget and assessments calculated requires an increase greater than the adjusted Maximum Assessment, then the assessment is considered an increased assessment. To impose an increased assessment, the City Council must comply with the provisions of Article XIID Section 4(c) of the California Constitution, which requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve the proposed assessment increase. If the proposed assessment is approved, then a new Maximum Assessment is established for the District. If the proposed assessment is not approved, the City Council may not levy an assessment greater than the adjusted Maximum Assessment previously established for the District.

IV. DISTRICT BUDGET FY 2022/2023

The following provides the proposed budget and associated increased maximum assessment commencing in fiscal year 2022/2023. This budget includes the City's estimate of anticipated expenditures, deficits, surpluses, revenues, and reserve fund balances associated with providing appropriate and adequate annual maintenance and operation of the improvements associated with each zone. The resulting maximum assessment rate established for each zone is based on the budget information presented herein and shall be used to calculate each parcel's proportional assessment obligation in accordance with the method of apportionment outlined in this Report.

Based on the budget information on the following page, the maximum assessment rate for Zone A will be \$482.12 per EBU, Zone B will be \$652.92 per EBU, Zone C will be \$396.17 per EBU, and Zone D will be \$354.95 per EBU for fiscal year 2022/2023.

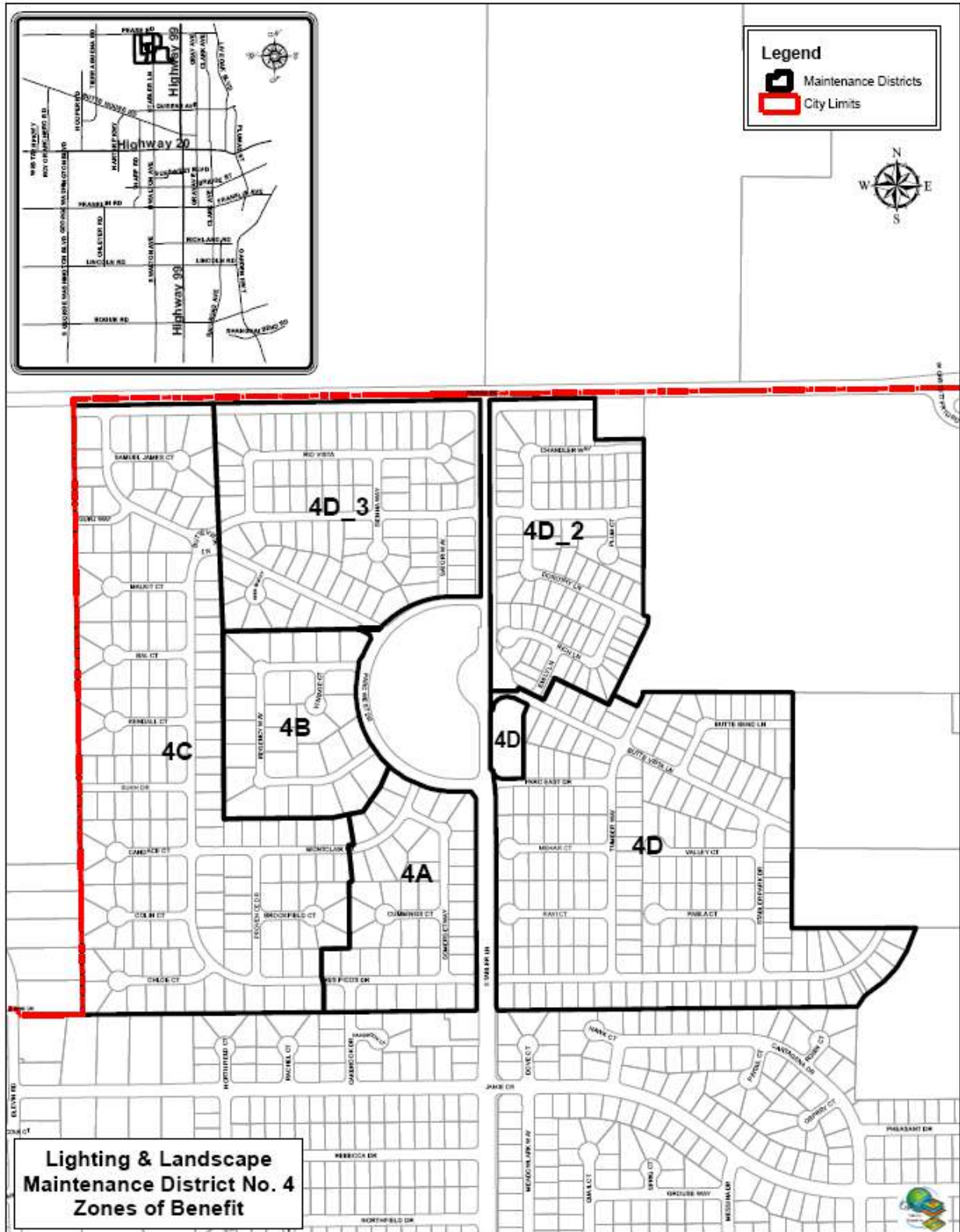
BUDGET ITEM	Zone 4A	Zone 4B	Zone 4C	Zone 4D	Total
DIRECT COSTS					
Heat/Power Utility	\$68.51	\$44.61	\$254.92	\$552.86	\$920.91
Street Lights Power Utility	373.70	243.34	1,390.51	3,015.67	5,023.22
Professional Services	3,442.01	2,241.31	12,807.48	27,776.23	46,267.03
Water Utility	1,471.97	958.49	5,477.11	11,878.48	19,786.06
Materials & Supplies	322.24	209.83	1,199.04	2,600.42	4,331.54
LMD Lights	1,374.88	895.27	5,115.85	11,094.99	18,481.00
Landscape Labor	2,062.96	1,343.32	7,676.12	16,647.60	27,730.00
Direct Costs Subtotal	\$9,116.28	\$5,936.18	\$33,921.04	\$73,566.25	\$122,539.76
ADMINISTRATION COSTS					
City Administration Costs	\$621.94	\$404.98	\$2,314.19	\$5,018.89	\$8,360.00
Willdan Financial Services Administration Fees	346.97	225.93	1,291.05	2,799.96	4,663.90
County Administration Fee	12.90	8.40	48.00	104.10	173.40
Miscellaneous Administration Expenses	0.00	0.00	0.00	0.00	0.00
Administrative Costs Subtotal	\$981.81	\$639.32	\$3,653.23	\$7,922.95	\$13,197.30
CAPITAL IMPROVEMENT EXPENSES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LEVY BREAKDOWN					
Total Direct and Admin. Costs	\$10,098.09	\$6,575.50	\$37,574.27	\$81,489.20	\$135,737.06
Operating Reserve Collection	0.00	0.00	0.00	0.00	0.00
Capital Reserve Collection	4,835.64	3,148.79	17,993.08	39,022.49	65,000.00
Levy Breakdown Subtotal	\$14,933.73	\$9,724.29	\$55,567.35	\$120,511.69	\$200,737.06
LEVY ADJUSTMENTS					
Operating Reserve Contribution	(\$3,350.67)	(\$2,181.83)	(\$12,467.59)	(\$27,039.09)	(\$45,039.18)
Capital Reserve Contribution	0.00	0.00	0.00	0.00	0.00
Additional City Contribution	0.00	0.00	0.00	0.00	0.00
Estimated Interest Earnings	(185.17)	(120.57)	(689.00)	(1,494.27)	(2,489.01)
Rounding Adjustment	(0.31)	(0.20)	(1.16)	(2.52)	(4.19)
Levy Adjustments Subtotal	(\$3,536.14)	(\$2,302.60)	(\$13,157.75)	(\$28,535.88)	(\$47,532.38)
BALANCE TO LEVY	\$11,397.58	\$7,421.68	\$42,409.60	\$91,975.82	\$153,204.68
OPERATING RESERVE					
Estimated Balance at June 30, 2022	\$4,422.78	\$2,879.95	\$16,456.85	\$35,690.79	\$59,450.36
FY2022/2023 Collection/(Contribution)	(3,350.67)	(2,181.83)	(12,467.59)	(27,039.09)	(45,039.18)
Estimated Balance at June 30, 2023	\$1,072.11	\$698.12	\$3,989.25	\$8,651.70	\$14,411.18
CAPITAL IMPROVEMENT RESERVE					
Estimated Balance at June 30, 2022	\$4,835.64	\$3,148.79	\$17,993.08	\$39,022.49	\$65,000.00
FY2022/2023 Collection/(Contribution)	4,835.64	3,148.79	17,993.08	39,022.49	65,000.00
Estimated Balance at June 30, 2023	\$9,671.28	\$6,297.58	\$35,986.16	\$78,044.98	\$130,000.00
DISTRICT STATISTICS					
Total Parcels	43	28	160	347	578
Total Parcels Levied	43	28	160	347	578
Total EBU	43.00	28.00	160.00	347.00	578.00
Levy per EBU (2022/2023)	\$265.06	\$265.06	\$265.06	\$265.06	
Maximum Levy per EBU - 2021/2022	\$448.57	\$607.49	\$368.61	\$330.25	
CPI Increase per EBU (7.48%)	\$33.55	\$45.44	\$27.57	\$24.70	
Maximum Levy per EBU - 2022/2023	\$482.12	\$652.92	\$396.17	\$354.95	
Maximum Levy Amount - 2022/2023	\$20,731.23	\$18,281.66	\$63,387.01	\$123,168.41	\$225,568.31

Appendix A - DISTRICT BOUNDARY MAPS

The original assessment diagrams and tract maps for the District were previously approved and submitted to the City in the format required by the 1972 Act. These diagrams are on file in the Office of the City Clerk and by reference are made part of this Report.

The following are reproductions of the County Assessor's Parcel Map associated with each subdivision and Zone.

Yuba City Landscape Maintenance District No. 4



Appendix B - 2022/2023 ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the Sutter County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within this District, along with the assessment amounts, is included on the following pages. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility rights-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has specific development restrictions. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.



City of Yuba City

Lighting and Landscape Maintenance District No. 5 Zones of Benefit A - L

2022/2023 ENGINEER'S ANNUAL LEVY REPORT

Initiation Meeting: June 21, 2022

Intent Meeting: July 19, 2022

Public Hearing: August 16, 2022

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ENGINEER'S REPORT AFFIDAVIT

City of Yuba City
Sutter County, State of California

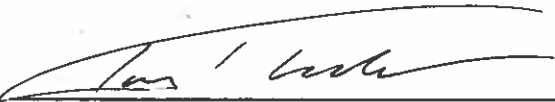
Yuba City Lighting and Landscape Maintenance District No. 5

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2022/2023, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Sutter County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 19th day of July, 2022.

Willdan Financial Services
Assessment Engineer

By: 

Tony Thrasher
Senior Project Manager
District Administration Services

By: 

Tyrone Peter
PE # C 81888



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I. OVERVIEW

A. INTRODUCTION

The City of Yuba City (“City”) annually levies and collects special assessments in order to maintain and service landscape improvements that provide special benefit to the Yuba City Lighting and Landscape Maintenance District (“District”). The District is annually levied pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (“1972 Act”). The District assessments were approved by the property owners of record through a protest ballot proceeding at the time the District was formed in compliance with the substantive and procedural requirements of the California Constitution Article XIID (“Article XIID”).

This Engineer’s Annual Levy Report (“Report”) has been prepared in accordance with the provisions of Chapter 3, Section 22622 of the 1972 Act. This Report describes the District, the improvements therein, any annexations or other modifications to the District including any substantial changes to the improvements, the method of apportionment, the boundaries of the District, and financial information including the district budgets and proposed annual assessments for Fiscal Year 2022/2023. The proposed assessments are based on the historic and estimated costs to maintain the improvements that provide a direct and special benefit to properties within the District. The costs of improvements and the annual levy including all expenditures, deficits, surpluses, revenues, and reserves are assessed to each parcel within the District proportionate to the parcel’s special benefits.

For the purposes of this Report, the word “parcel” refers to an individual property assigned its own Assessor Parcel Number (“APN”) by the County of Sutter (“County”) Assessor’s Office. The County Auditor/Controller uses APNs and specific fund numbers to identify properties assessed for special district benefit assessments on the tax roll.

Pursuant to Chapter 3, beginning with Section 22620 of the 1972 Act, the City Council shall conduct a noticed annual public hearing to consider all public comments and written protests regarding the District. Following the annual public hearing and review of the Report, the City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and confirmation of the assessments contained therein, the City Council will by resolution: order the improvements to be made and confirm the levy and collection of assessments pursuant to Chapter 4, Article 1, beginning with Section 22640 of the 1972 Act. The assessment rate and method of apportionment described in this Report as approved or modified by the City Council defines the assessments to be applied to each parcel within the District for Fiscal Year 2022/2023.

The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel within the District. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate contained in this Report as approved by the City Council.

B. COMPLIANCE WITH CURRENT LEGISLATION

On November 6, 1996, California voters approved Proposition 218 by a margin of 56.5% to 43.5%. All assessments described in this Report and approved by the City Council are prepared in accordance with the Act and are in compliance with the provisions of the California Constitution Article XIID (Proposition 218).

Pursuant to the California Constitution Article XIID Section 5, certain existing assessments are exempt from the substantive and procedural requirements of Article XIID Section 4 and property owner balloting for the assessments is not required until such time that the assessments are increased. Specifically, the City determined that all improvements and the annual assessments originally established for the District were part of the conditions of property development and approved by the original property owner (developer). As such, pursuant to Article XIID Section 5(b), all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts are exempt from the procedural requirements Article XIID Section 4.

The District has been formed pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code. Pursuant to the Act, an annual Public Hearing is conducted by the City Council to accept property owner and public comments, to review the Engineer's Annual Levy Report prior to approving the annual assessments to be levied on the County tax rolls. The assessments described in this Report have been prepared in accordance with the Act.

The City affirms that the assessments contained in this report were imposed in accordance with a consent and waiver by 100% of the property owners as part of the original development approval for the properties within the District. Therefore, the City has determined that pursuant to Article XIID Section 5(b) the maximum assessment previously approved and levied for this District prior to the passage of Proposition 218 are considered exempt, provided the assessments are not increased above these previously approved maximum assessment rates.

The proposed annual levy of assessments for fiscal year commencing July 1, 2022 and ending June 30, 2023 (Fiscal Year 2022/2023) as described in this Report have been prepared and made pursuant to the provisions of the 1972 Act and are consistent with the assessments previously approved and adopted by the City Council. The assessments described herein for Fiscal Year 2022/2023 do not exceed the maximum assessment rates authorized and are therefore in compliance with the provisions of the California Constitution Article XIID.

II. PLANS AND SPECIFICATIONS

A. DESCRIPTION OF THE DISTRICT

The District is comprised of twelve distinct zones within the City, as shown on the Assessment Diagrams on file with the City Clerk, each receiving different levels of benefit from the District improvements. The primary distinction between zones of benefit in the same subdivision is whether or not the zone lots or parcels are in close enough proximity to receive special benefit from street trees.

The Zone of Benefit A (“Zone A”) is comprised of 32 assessable lots located in South Park Village. The Zone of Benefit B (“Zone B”) is comprised of 350 assessable lots located in South Park Village, Rai Estates, Sutter Cottages, Phillips Estates, Garden Gate Estates and Fletcher Place. The Zone of Benefit C (“Zone C”) is comprised of 670 assessable lots located in Wheeler Estates, Graystone Manor, Hillcrest Courtyard, Onstott Estates, Walnut Glen Units 1 & 2, Almond Grove Units 1, 2 & 3, Diamond Pointe, Bay Drive Estates 2, Siena and Siena Estates West and Hooper Ranch Estates Phase 2. The Zone of Benefit D (“Zone D”) is comprised of 62 assessable lots located in Walton Station. The Zone of Benefit E (“Zone E”) is comprised of 2 assessable lots located in Walton Station. The Zone of Benefit F (“Zone F”) is comprised of 23 assessable lots located in Park Vista. The Zone of Benefit G (“Zone G”) is comprised of 14 assessable lots located in Park Vista. The Zone of Benefit H (“Zone H”) is comprised of 152 assessable lots located in Phalla Estates, Daytona Estates, Hetherington Place, Hampton Court, Sanborn Parcel Map, New Haven Apartments and Faith Court Subdivision. The Zone of Benefit I (“Zone I”) is comprised of 237 assessable lots located in Maser Ranch Subdivision No. 2, and Shankar Village. The Zone of Benefit J (“Zone J”) is comprised of 437 assessable lots located in Sutter Butte Estates, Units 1 & 2, North/South Butte Village, Signature Estates, Summerhill Estates, East Sanborn Estates, Inglerock Estates, Westbrook, Rollingrock Estates, Westside Estates, Karnegis Estates 2 and Hooper Ranch Estates 1. The Zone of Benefit K (“Zone K”) is comprised of 1,283 assessable lots located in Hunji Village 1 & 2, Franklin Road Estates, Canterbury Estates 2, 3 & 4, Teal Hollow 1, Domain Estates, Temple Village, Del Monte Ranch, Bridge Street, Canterbury and North Canterbury Estates, Walnut Park, River Valley, North Canterbury Estates 2, Valencia Estates, Dunn Ranch

Estates, Unit 1 and Domain Estates, Unit 3. The Zone of Benefit L (“Zone L”) is comprised of 27 assessable lots located in Richland Ranch.

B. DESCRIPTION OF THE IMPROVEMENTS

The Lighting and Landscaping design standard, for all new subdivisions in the district, for each zone of benefit is as follows:

Zone A & B improvements include the ongoing maintenance and servicing of eight (8) 70-watt street lights, and the wall and landscape strip along Bogue Road. In addition, the Zone A parcels have front footage on streets with street trees and therefore provide for the maintenance of 63 interior street trees.

Zone C improvements include the ongoing maintenance and servicing of five (5) 70-watt street lights, two (2) 100-watt street lights, three (3) 35-watt street lights and 78 street trees.

Zone D and E improvements include the ongoing maintenance and servicing of fifteen (15) 70-watt street lights, two (2) 100-watt street lights, and the wall and landscape strip along Walton Avenue. In addition, the Zone D parcels have front footage on streets with street trees and therefore provide for the maintenance of 102 interior street trees.

Zone F and G improvements include the ongoing maintenance and servicing of eight (8) 70-watt street lights, and one (1) 100-watt street light. In addition, the Zone F parcels have front footage on streets with street trees and therefore provide for the maintenance of 36 interior street trees.

Zone H improvements include the ongoing maintenance and servicing of seven (7) 70-watt street lights.

Zone I improvements include the ongoing maintenance and servicing of thirty-seven (37) 70-watt street lights, one (1) 100-watt street light, twelve (12) trees and the wall and landscape strip along Lincoln Road.

Zone J improvements include the ongoing maintenance and servicing of twenty (20) 70-watt street lights, two (2) 100-watt street lights and 172 street trees.

Zone K improvements include the ongoing maintenance and servicing of forty-seven (47) 70-watt street lights, four (4) 100-watt street lights, 334 street trees, the wall and landscape strip along Franklin and Harding Road and Tuly Parkway, and the landscape strips and planters along Elmer Road. Also funded by Zone K is the maintenance and replacement of barricades and associated chain link fencing.

Zone L improvements include the ongoing maintenance and servicing of nine (9) 100-watt street lights, the landscape entrance to Richland Ranch, and the wall and landscape strip for Richland Ranch.

Provisions of the 1972 Act

As generally defined, the improvements and the associated assessments for any District formed pursuant to the 1972 Act may include one or any combination of the following:

- 1) The installation or planting of landscaping.
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- 3) The installation or construction of public lighting facilities, including, but not limited to streetlights and traffic signals.
- 4) The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof; including but not limited to, grading, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- 5) The installation of park or recreational improvements including, but not limited to the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts and public restrooms.
- 6) The maintenance or servicing, or both, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including, but not limited to:
 - a) Repair, removal, or replacement of all or any part of any improvements.
 - b) Grading, clearing, removal of debris, the installation, repair or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
 - c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
 - d) The removal of trimmings, rubbish, debris, and other solid waste.
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.
 - f) Electric current or energy, gas, or other agent for the lighting or operation of any other improvements.

- g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 7) The acquisition of land for park, recreational or open-space purposes, or the acquisition of any existing improvement otherwise authorized by the 1972 Act.
- 8) Incidental expenses associated with the improvements including, but not limited to:
 - a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment.
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices.
 - c) Compensation payable to the County for collection of assessments.
 - d) Compensation of any engineer or attorney employed to render services.
 - e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.
 - f) Costs associated with any elections held for the approval of a new or increased assessment.

III. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments in the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on estimated benefit to each parcel.

In addition, pursuant to Article XIID Section 4, a parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred on that

parcel and provides that only special benefits are assessable and the District must separate the general benefits from the special benefits.

B. BENEFIT ANALYSIS

Each of the improvements and the associated costs has been carefully reviewed and the corresponding assessments have been proportionately spread to each parcel based on special benefits received from the improvements. The installation of the improvements was part of the conditions of property development. The property owners approved the corresponding assessments for the ongoing maintenance and servicing of the improvements through a property owner protest ballot.

Special Benefits — The method of apportionment (assessment methodology) is based on the premise that each of the assessed parcels within the District receives benefit from the improvements maintained and financed by annual assessments. Specifically, the assessments are for the maintenance of local street lighting and landscaped improvements installed as part of the original development. The desirability and security of properties within the District are enhanced by the presence of street lighting and well-maintained landscaping in close proximity to those properties.

The special benefits associated with the local landscaping improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties within the Zones providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, and dust and debris control.
- Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti.
- Enhanced environmental quality of the parcels within the Zones by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits of street lighting are the convenience, safety, and security of property, improvements, and goods. Specifically:

- Enhanced deterrence of crime and to aid police protection.

- Increased nighttime safety on roads and highways.
- Improved ability of pedestrians and motorists to see.
- Improved ingress and egress to property.
- Reduced vandalism and other criminal acts and damage to improvements or property.
- Improved traffic circulation and reduced nighttime accidents and personal property loss.
- Increased promotion of business during nighttime hours in the case of commercial properties.

All of the preceding special benefits contribute to a specific enhancement and desirability of each of the assessed parcels within the District.

General Benefits - the improvements to be provided and maintained by the District are a direct result of property development within the District and would otherwise not be required or necessary. Developers typically install local improvements to enhance the marketability and value of properties within the development and/or as conditions of development. In either case, the improvements are clearly installed for the benefit of the properties being developed and not for the benefit of surrounding properties outside the District boundaries. Although local development improvements (by virtue of their location) may be visible to surrounding properties, any benefit to surrounding properties is incidental and cannot be considered a direct and special benefit. Furthermore, most developments within the City typically have various landscaping and lighting improvements specifically associated with their development and these improvements are funded by properties within those developments.

At the time of formation of the Assessment District, the majority of the benefit was special, and there was a small general benefit. The engineer of record between Fiscal Year 2012/2013 and Fiscal Year 2015/2016, further quantified this small general benefit.

The specific language from the most recent Engineer's Report used to describe General Benefit is as follows:

The maintenance and servicing of these improvements is also partially refunded, directly and indirectly from other sources including Yuba City, Sutter County and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.) This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment District.

The General Benefits from this assessment may be quantified as illustrated in the following table.

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Creation of parcels	90	0%	0
Extention of recreation area	2	10%	0.2
Proximity to improved parks and recreation facilities	2	10%	0.2
Access to improved parks, open space and rec areas	2	10%	0.2
Improved views	2	10%	0.2
Improved nighttime visibility and safety from streetlights	2	20%	0.4
Totals	100		1.2
<i>Total Calculated General Benefit</i>			1.2%

As a result, Yuba City will contribute at least 1.2% of the total budget from sources other than the assessment. This contribution offsets any general benefits from the Assessment Services.

This general benefit contribution is the sum of the following components:

Yuba City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment District improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation and replacement of the curb and gutter is conservatively estimated to be 1%.

Yuba City owns and maintains a storm drainage system along the border of the Assessment District improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

Yuba City owns and maintains local public streets along the border of the Assessment District improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid

for by non-assessment funds, this “annuity” can be used to offset general benefit costs, and is conservatively estimated to contribute 25%.

Therefore, the total General Benefit is conservatively quantified at 1.2%, which is more than offset by the total non-assessment contribution towards general benefit of 28%.⁽¹⁾

C. ASSESSMENT METHODOLOGY

For each of the zones of benefit, the level of special benefit received by each parcel in the zone is considered to be equal. Therefore, the estimated annual costs of the improvements for each zone of benefit are determined separately and are apportioned equally to all parcels, developed or undeveloped, within each zone of benefit.

D. ASSESSMENT RANGE FORMULA

Any new or increase in assessments require certain noticing and meeting requirements by law. Prior to the passage of Proposition 218, legislative changes in the Brown Act defined the definition of “new or increased assessment” to exclude certain conditions. These conditions included “any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed.” This definition and conditions were later confirmed through SB919 (Proposition 218 implementation statutes).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments.

Generally, if the proposed annual assessment (levy per unit or rate) for the current fiscal year is less than or equal to the “Maximum Assessment” (or “Adjusted Maximum Assessment”), then the proposed annual assessment is not considered an increased assessment. The Maximum Assessment is equal to the initial Assessment approved by property owners adjusted annually by the following criteria:

- 1) Each fiscal year, the Maximum Assessment will be recalculated.
- 2) The new adjusted Maximum Assessment for the year represents the prior year’s Maximum Assessment adjusted by the percentage change from the

⁽¹⁾ *SCI Consulting Group (September 2015). City of Yuba City Landscape Maintenance Assessment District No. 5 Engineer’s Report, Fiscal Year 2015/2016. pgs 22-25.*

previous year to the current year based on the “All Urban Consumers” Consumer Price Index, US City Average (CPI), as compiled by the United States Department of Labor Statistics. Effective Fiscal Year 2017/2018, the CPI month for annual adjustment has changed to January.

- 3) The Maximum Assessment is adjusted each year independently from the annual assessment. While the actual amount assessed may fluctuate each year, the maximum will continue to be increased and in any given year, the assessment may be applied at the Maximum Assessment.

The Maximum Assessment is adjusted annually and is calculated independently of the District’s annual budget and proposed annual assessment. Any proposed annual assessment (rate per equivalent dwelling unit) less than or equal to this Maximum Assessment is not considered an increased assessment, even if the proposed assessment is greater than the assessment applied in the prior fiscal year. The City Council may reduce or freeze the Maximum Assessment at any time by amending the Engineer’s Annual Report.

Although the Maximum Assessment will normally increase each year, the actual District assessments may remain virtually unchanged. The Maximum Assessment adjustment is designed to establish a reasonable limit on District assessments. The Maximum Assessment calculated each year does not require or facilitate an increase to the annual assessment and neither does it restrict assessments to the adjustment maximum amount. If the budget and assessments for the fiscal year does not require an increase, or the increase is less than the adjusted Maximum Assessment, then the required budget and assessment may be applied without additional property owner balloting. If the budget and assessments calculated requires an increase greater than the adjusted Maximum Assessment, then the assessment is considered an increased assessment. To impose an increased assessment, the City Council must comply with the provisions of Article XIII D Section 4(c) of the California Constitution, which requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve the proposed assessment increase. If the proposed assessment is approved, then a new Maximum Assessment is established for the District. If the proposed assessment is not approved, the City Council may not levy an assessment greater than the adjusted Maximum Assessment previously established for the District.

IV. DISTRICT BUDGET FY 2022/2023

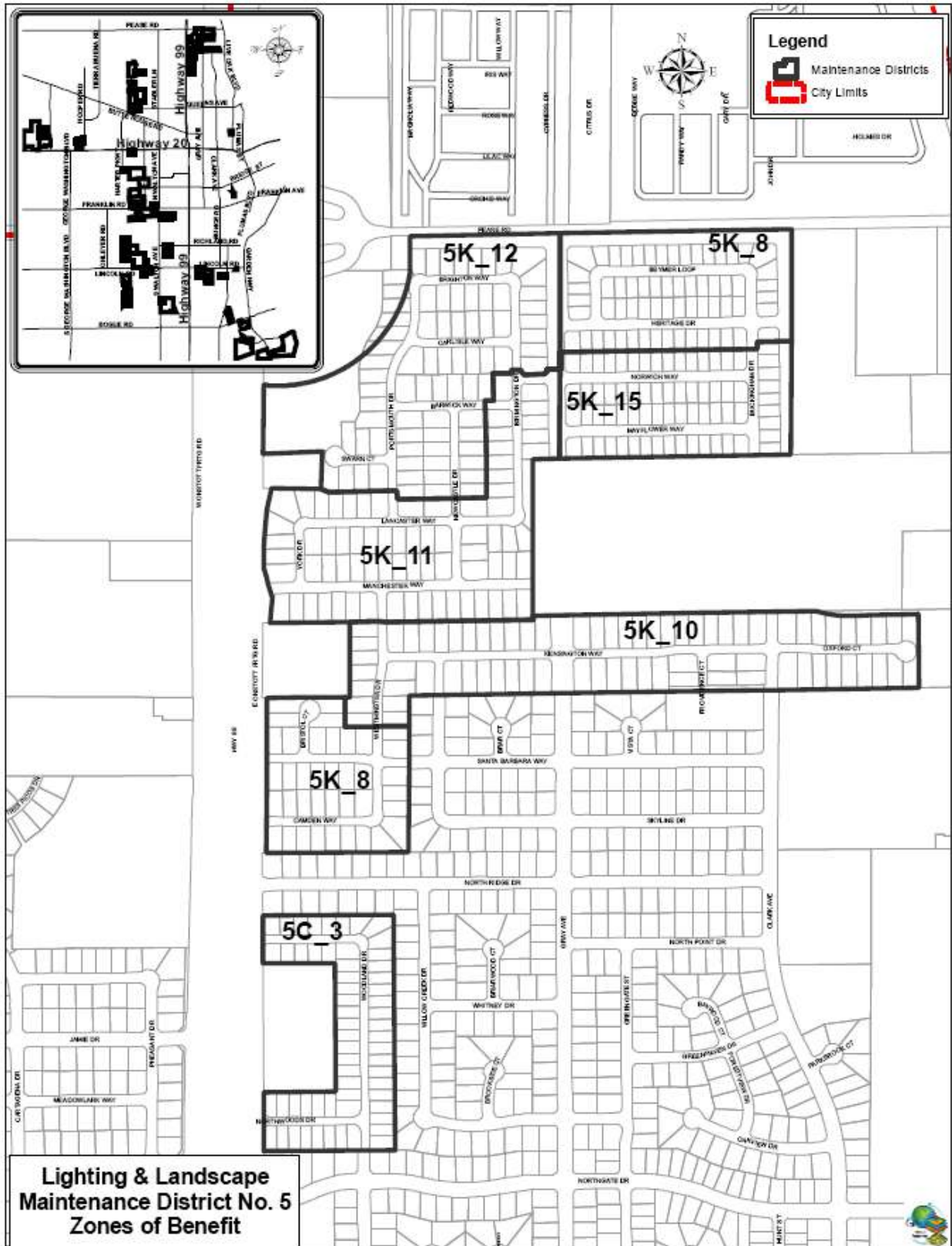
The following provides the proposed budget and associated increased maximum assessment commencing in Fiscal Year 2022/2023. This budget includes the City's estimate of anticipated expenditures, deficits, surpluses, revenues, and reserve fund balances associated with providing appropriate and adequate annual maintenance and operation of the improvements associated with each zone. The resulting maximum assessment rate established for each zone is based on the budget information presented herein and shall be used to calculate each parcel's proportional assessment obligation in accordance with the method of apportionment outlined in this Report.

Appendix A - DISTRICT BOUNDARY MAPS

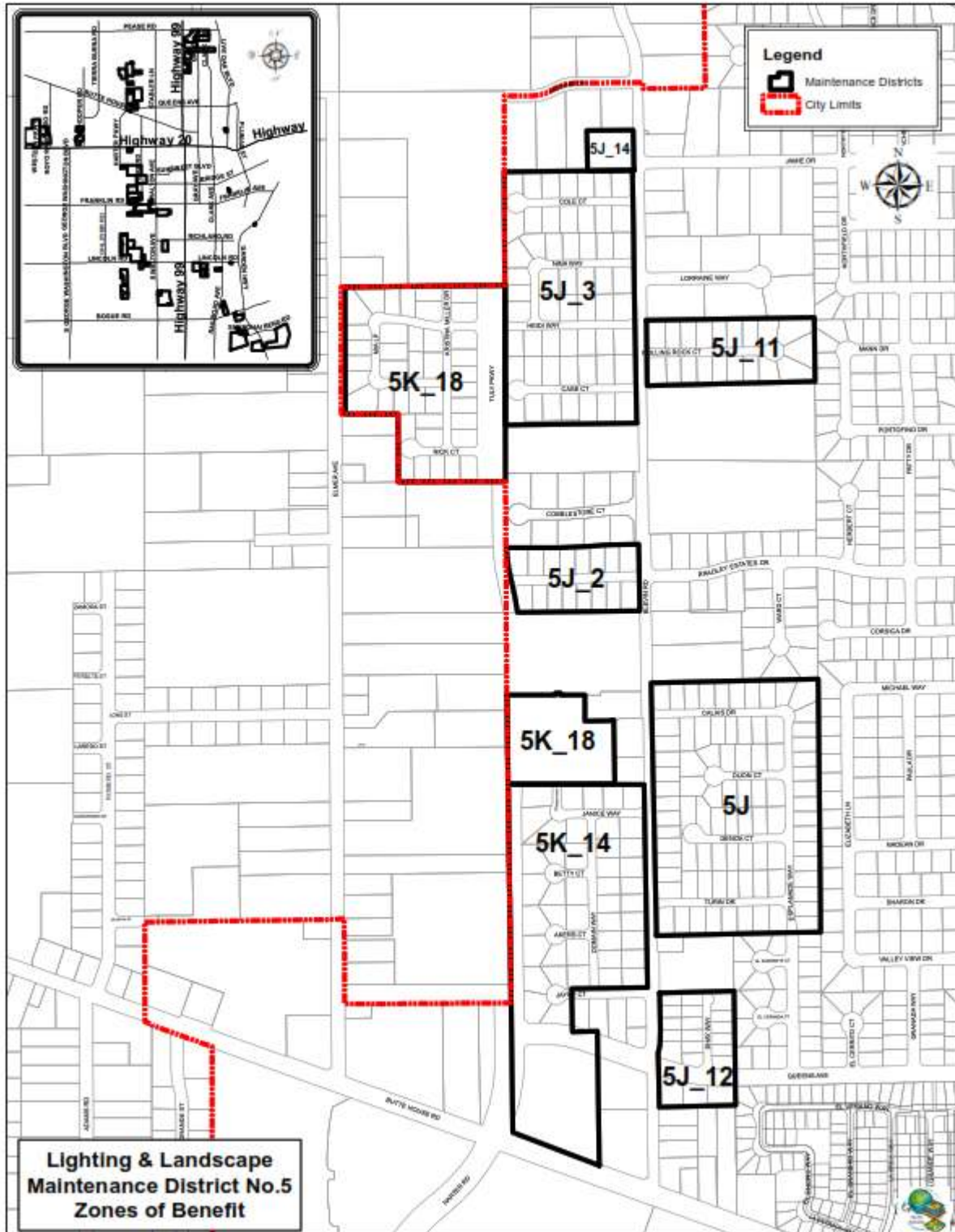
The original assessment diagrams and tract maps for the District were previously approved and submitted to the City in the format required by the 1972 Act. These diagrams are on file in the Office of the City Clerk and by reference are made part of this Report.

The following are reproductions of the County Assessor's Parcel Map associated with each subdivision and Zone.

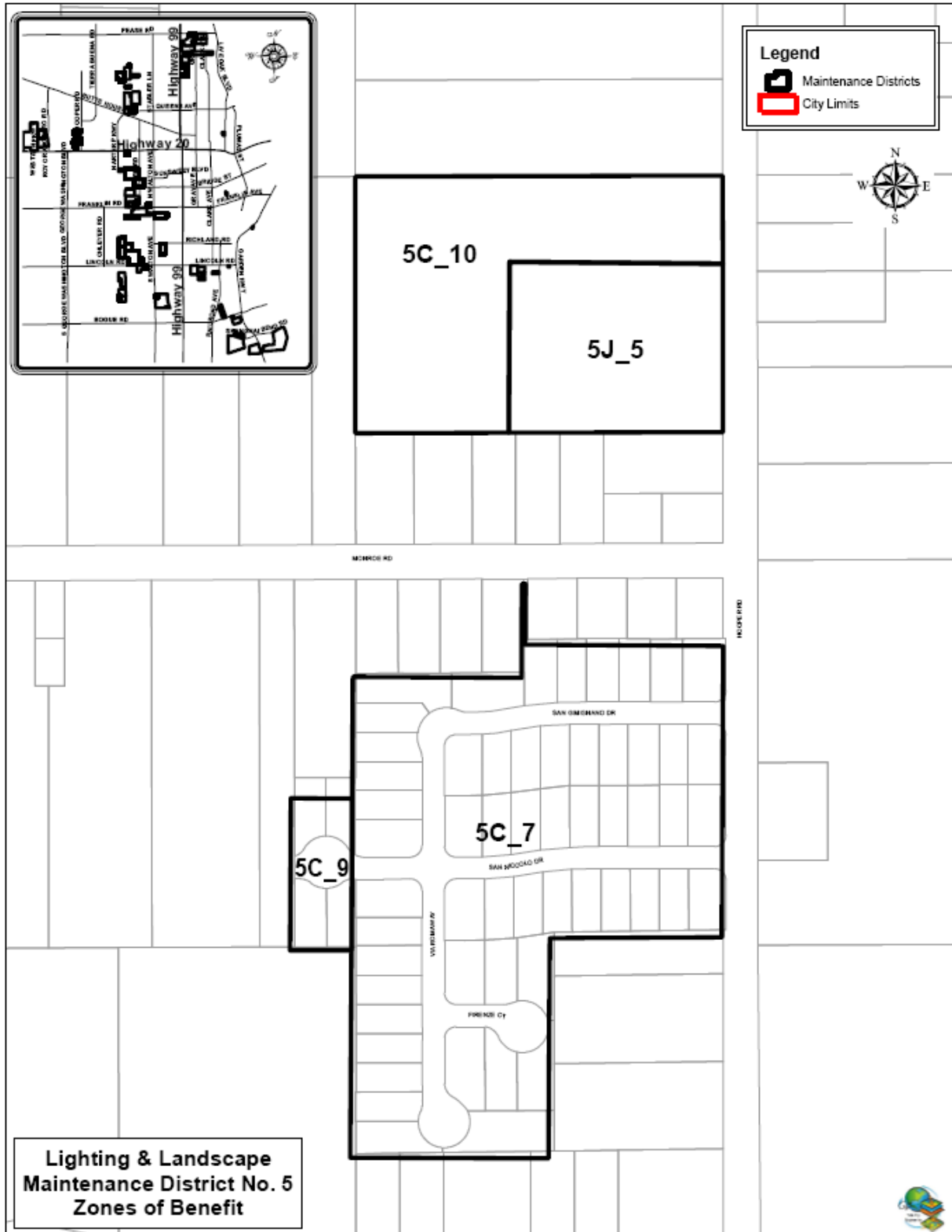
Yuba City Landscape Maintenance District No. 5



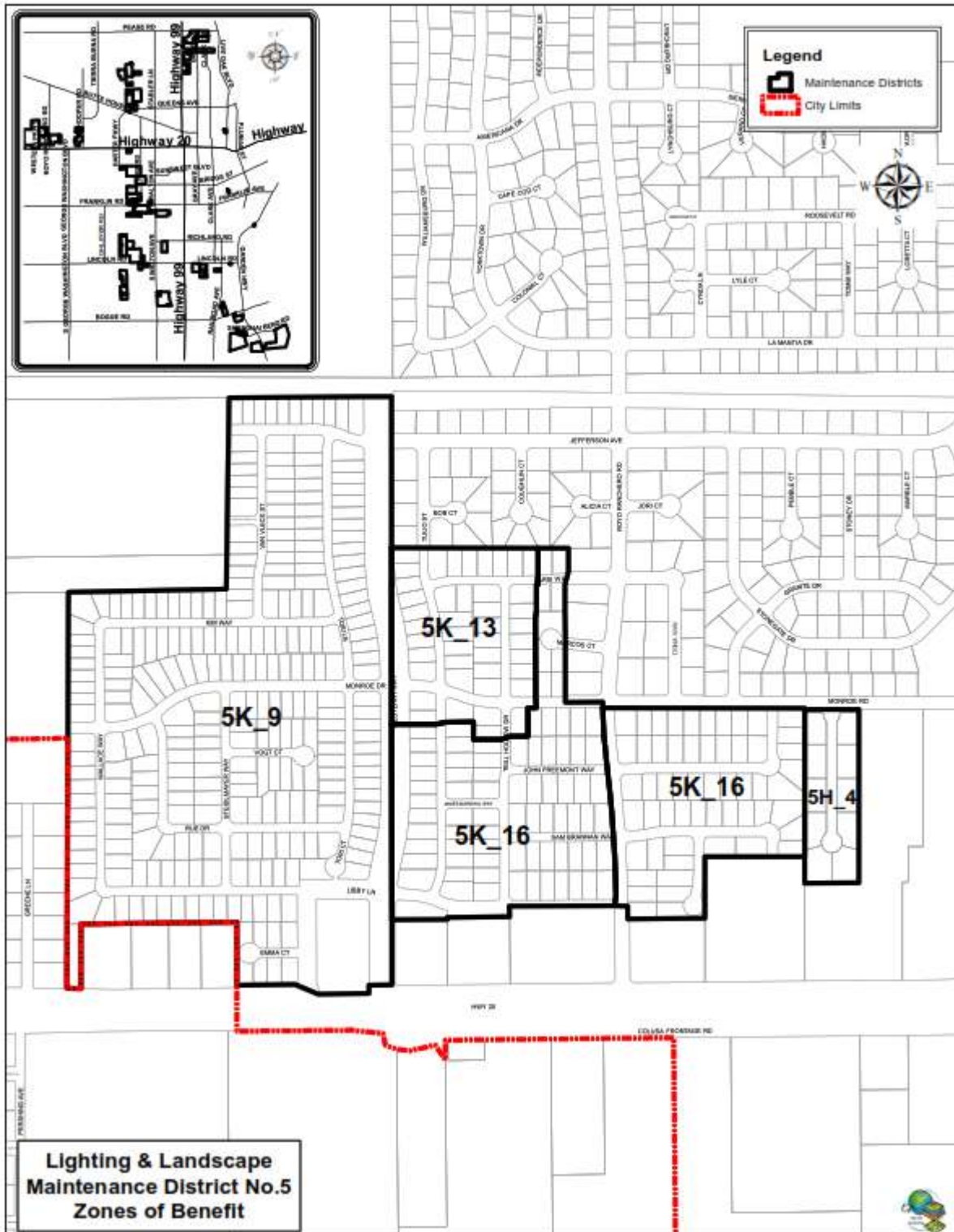
Yuba City Landscape Maintenance District No. 5



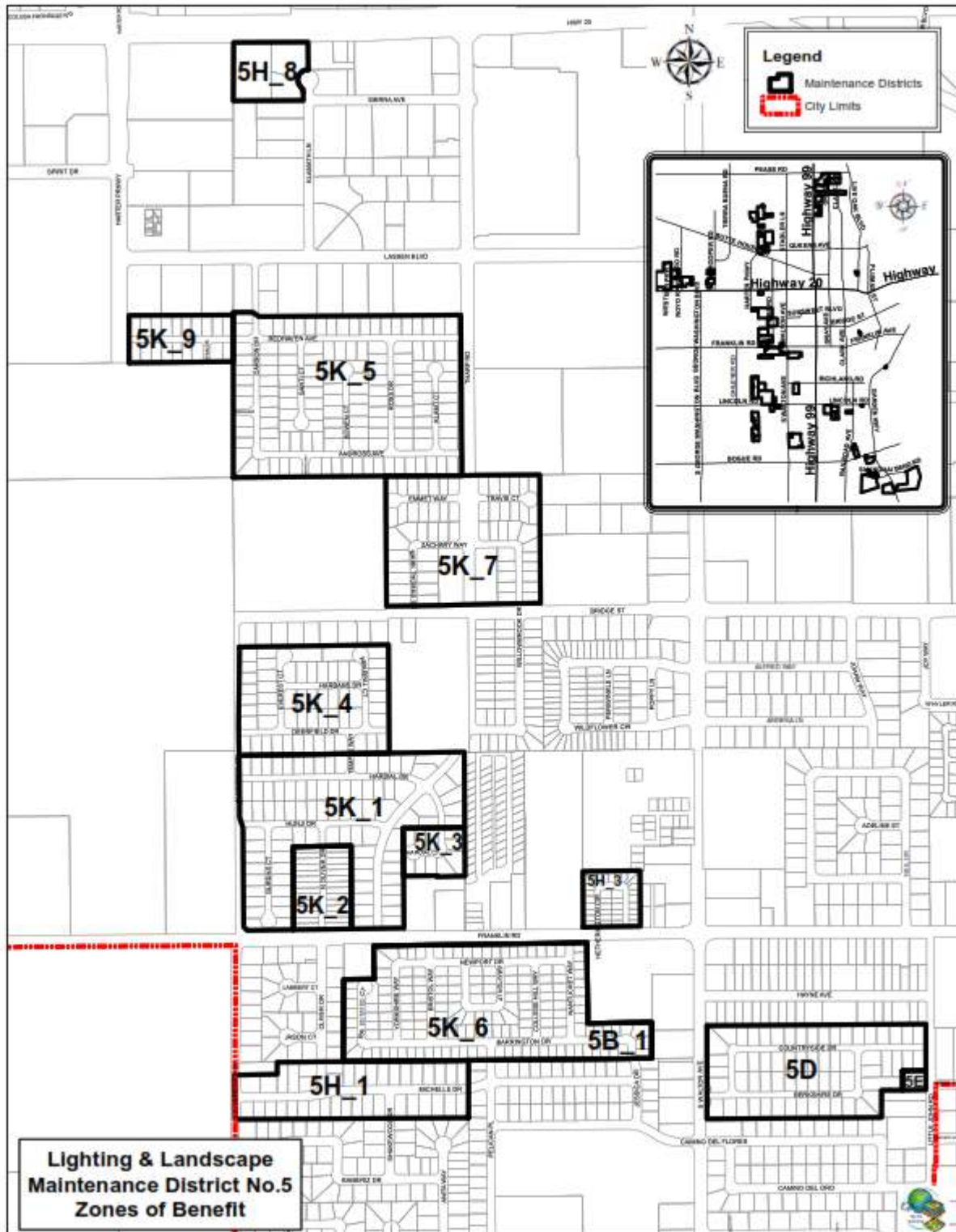
Yuba City Landscape Maintenance District No. 5



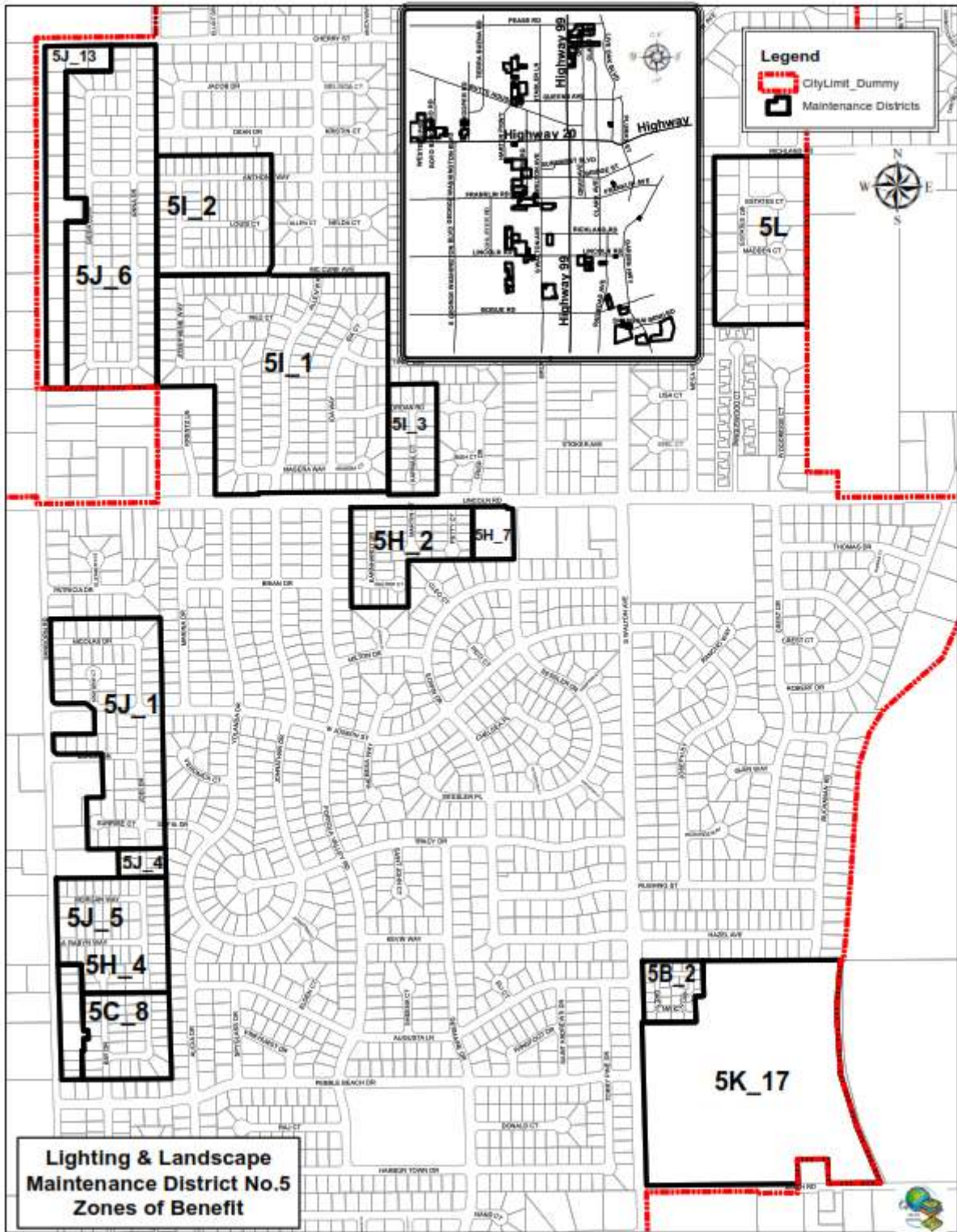
Yuba City Landscape Maintenance District No. 5



Yuba City Landscape Maintenance District No. 5



Yuba City Landscape Maintenance District No. 5



Yuba City Landscape Maintenance District No. 5



Yuba City Landscape Maintenance District No. 5



Appendix B - 2022/2023 ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the Sutter County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within this District, along with the assessment amounts, is included on the following pages. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility rights-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has specific development restrictions. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.



City of Yuba City

Lighting and Landscape Maintenance District No. 6

(Zones of Benefit A_1, A_2 & A_3
and
Zones of Benefit B_1, B_2, B_3, B_4, B_5, B_6, B_7, B_8,
B_9, B_10, B_12, B_13, B_14, B_15
and
Zone of Benefit C_1)

2022/2023 ENGINEER'S ANNUAL LEVY REPORT

Initiation Meeting: June 21, 2022

Intent Meeting: July 19, 2022

Public Hearing: August 16, 2022

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ENGINEER'S REPORT AFFIDAVIT

City of Yuba City
Sutter County, State of California

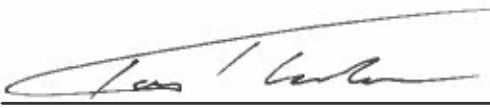
Yuba City Lighting and Landscape Maintenance District No. 6

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2022/2023, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Sutter County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 19th day of July, 2022.

Willdan Financial Services
Assessment Engineer

By: 

Tony Thrasher
Senior Project Manager
District Administration Services

By: 

Tyrone Peter
PE # C 81888



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I. OVERVIEW

A. INTRODUCTION

The City of Yuba City (“City”) annually levies and collects special assessments in order to maintain the lighting and landscape areas adjacent to the subdivisions in the zones of benefit as shown on the assessment diagrams for the Yuba City Lighting and Landscape Maintenance District No. 6 (“District”) on file with the City Clerk. The District is annually levied pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (“1972 Act”). The District assessments were approved by the property owners of record through a protest ballot proceeding at the time the District was formed in compliance with the substantive and procedural requirements of the *California Constitution Article XIID* (“Article XIID”).

This Engineer’s Annual Levy Report (“Report”) has been prepared in accordance with the provisions of Chapter 3, Section 22622 of the 1972 Act. This Report describes the District, the improvements therein, any annexations or other modifications to the District including any substantial changes to the improvements, the method of apportionment, the boundaries of the District, and financial information including the district budgets and proposed annual assessments for Fiscal Year 2022/2023. The proposed assessments are based on the historic and estimated costs to maintain the improvements that provide a direct and special benefit to properties within the District. The costs of improvements and the annual levy including all expenditures, deficits, surpluses, revenues, and reserves are assessed to each parcel within the District proportionate to the parcel’s special benefits.

For the purposes of this Report, the word “parcel” refers to an individual property assigned its own Assessor Parcel Number (“APN”) by the County of Sutter (“County”) Assessor’s Office. The County Auditor/Controller uses APNs and specific fund numbers to identify properties assessed for special district benefit assessments on the tax roll.

Pursuant to Chapter 3, beginning with Section 22620 of the 1972 Act, the City Council shall conduct a noticed annual public hearing to consider all public comments and written protests regarding the District. Following the annual public hearing and review of the Report, the City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and confirmation of the assessments contained therein, the City Council will by resolution: order the improvements to be made and confirm the levy and collection of assessments pursuant to Chapter 4, Article 1, beginning with Section 22640 of the 1972 Act. The assessment rate and method of apportionment described in this Report as approved or modified by the City Council defines the assessments to be applied to each parcel within the District for Fiscal Year 2022/2023.

The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel within the District. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate contained in this Report as approved by the City Council.

B. COMPLIANCE WITH CURRENT LEGISLATION

On November 6, 1996, California voters approved Proposition 218 by a margin of 56.5% to 43.5%. All assessments described in this Report and approved by the City Council are prepared in accordance with the Act and are in compliance with the provisions of the California Constitution Article XIID (Proposition 218).

Pursuant to the California Constitution Article XIID Section 5, certain existing assessments are exempt from the substantive and procedural requirements of Article XIID Section 4 and property owner balloting for the assessments is not required until such time that the assessments are increased. Specifically, the City determined that all improvements and the annual assessments originally established for the District were part of the conditions of property development and approved by the original property owner (developer). As such, pursuant to Article XIID Section 5(b), all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts are exempt from the procedural requirements Article XIID Section 4.

The District has been formed pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code. Pursuant to the Act, an annual Public Hearing is conducted by the City Council to accept property owner and public comments, to review the Engineer's Annual Levy Report prior to approving the annual assessments to be levied on the County tax rolls. The assessments described in this Report have been prepared in accordance with the Act.

The City affirms that the assessments contained in this report were imposed in accordance with a consent and waiver by 100% of the property owners as part of the original development approval for the properties within the District. Therefore, the City has determined that pursuant to Article XIID Section 5(b) the maximum assessment previously approved and levied for this District prior to the passage of Proposition 218 are considered exempt, provided the assessments are not increased above these previously approved maximum assessment rates.

The proposed annual levy of assessments for fiscal year commencing July 1, 2022 and ending June 30, 2023 (Fiscal Year 2022/2023) as described in this Report have been prepared and made pursuant to the provisions of the 1972 Act and are consistent with the assessments previously approved and adopted by the City Council. The assessments described herein for Fiscal Year 2022/2023 do not exceed the maximum assessment rates authorized and are therefore in compliance with the provisions of the California Constitution Article XIID.

II. PLANS AND SPECIFICATIONS

A. DESCRIPTION OF THE DISTRICT

The District is comprised of eighteen (18) distinct zones within the City, as shown on the Assessment Diagrams on file with the City clerk.

The Zone of Benefit A_1 (“Zone A_1”) is comprised of eleven (11) parcels, approximately 26.485 acres. Located in the River Valley Commercial area. The Zone of Benefit A_2 (“Zone A_2”) is comprised of nine (9) parcels, approximately 18.30 acres. It is located in the Sunsweet Boulevard Area. The Zone of Benefit A_3 (“Zone A_3”) is comprised of fifteen (15) parcels, approximately 166.50 acres. Zone A_3 is known as the Harter Specific Plan Located south of Butte House Road between Ruth Ave and Tharp Road.

The Zone of Benefit B_1 (“Zone B_1”) is comprised of eight (8) parcels located on Tharp Road and Butte House Road. The Zone of Benefit B_2 (“Zone B_2”) is comprised of two (2) parcels with the current address of 1410 Whyler Road. The Zone of Benefit B_3 (“Zone B_3”) is comprised of three (3) parcels located on Lincoln Road and Walton Avenue.

On December 7, 2010, Zone of Benefit B_4 (“Zone B_4”) was annexed into the District to provide funding for the operation and maintenance of the street lighting system for Yuba Community College – Sutter County site located at 3301 East Onstott Frontage Road. Zone B_4 is comprised of one (1) parcel.

On January 3, 2011, Zone of Benefit B_5 (“Zone B_5”) was annexed into the District to provide funding for the operation and maintenance of the street lighting system for the Unity Estates development located along the west side of El Margarita Road. Zone B_5 is comprised of two (2) parcels.

The fiscal year 2013/2014 included the formation of two additional Zones of Benefit for District No. 6 known as Zone of Benefit B_6 and Zone of Benefit B_7. Zone of Benefit B_6 includes Parcel Number 58-020-024, and Zone of Benefit B_7 includes Parcel Numbers 51-540-131 and 51-540-132. The new district zone formations resulted from agreements or conditions of approval between the City and the property owners, whereby the City and property owners agreed inclusion of the Parcels into the District to enhance benefit to parcels that are shared by parcels

within the Assessment District. Following the February 19, 2013 City Resolutions calling for an assessment ballot proceeding, along with the Engineer's Reports, the City conducted a public hearing on the proposed formations on April 16, 2013, where, upon approval of the ballots, the City submitted levies on the parcels to the County Auditor/Controller for the inclusion on the property tax roll beginning with Fiscal Year 2013/2014 and continued in future years. The ballot proceeding was pursuant to the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code and Article XIID of the California Constitution.

The Fiscal Year 2014/2015 included the formation of one additional Zone of Benefit for District No. 6 known as Zone of Benefit B_8. Zone of Benefit B_8 includes Parcel Numbers 52-020-028, 52-020-029, 52-020-030, and 52-020-031. The new district zone formation resulted from agreements or conditions of approval between the City and the property owners, whereby the City and property owners agreed inclusion of the Parcels into the District to enhance benefit to parcels that are shared by parcels within the Assessment District. Following the City Resolution calling for an assessment ballot proceeding, along with the Engineer's Reports, the City conducted a public hearing on the proposed formations on March 17, 2015, where, upon approval of the ballots, the City received authorization to submit levies on the parcels to the County Auditor/Controller for the inclusion on the property tax roll beginning with Fiscal Year 2015/2016. The ballot proceeding was pursuant to the Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code and Article XIID of the California Constitution.

On July 19, 2016, Zone of Benefit B_9 ("Zone B_9") was annexed into the District to provide funding for the operation and maintenance of the street lighting system adjacent to parcel number 51-580-023, located at 2510 Live Oak Boulevard. Zone B_9 is comprised of one (1) parcel.

On May 21, 2019, three Zones of Benefit were annexed into the District. They are known as Zone of Benefit B_10 ("Zone B_10"), Zone of Benefit B_12 ("Zone B_12") and Zone of Benefit B_13 ("Zone B_13"). Zone B_10 is to provide funding for the operation and maintenance of the street lighting system adjacent to parcel numbers 52-130-048 (1240 Bridge St.), 52-130-047 (1250 Bridge St.), 52-130-046 (1260 Bridge St.), 52-130-045 (1270 Bridge St.), and 52-130-043 (1280 Bridge St.), located south of Bridge Street, west of North Lawrence Avenue, and east of State Route 99. Zone B_10 is comprised of five (5) parcels. Zone B_12 is to provide funding for the operation and maintenance of the street lighting system adjacent to 770 North Walton Avenue, located north of Bridge Street, west of North Walton Avenue, and south of Sunsweet Boulevard. Zone B_12 is comprised of seven (7) parcels. Zone B_13 is to provide funding for the operation and maintenance of the street lighting system adjacent to parcel numbers 53-050-087, and 53-050-088, located south of Lassen Boulevard, and east of Carson Drive.

On August 28, 2019, Zone of Benefit B_14 (“Zone B_14”) was annexed into the District to provide funding for the operation and maintenance of the street lighting system adjacent to parcel number 58-020-022, located at 362 North Walton Avenue. Zone B_14 is comprised of one (1) parcel.

On September 17, 2019, Zone of Benefit B_15 (“Zone B_15”) was annexed into the District to provide funding for the operation and maintenance of the street lighting system adjacent to parcel numbers 54-083-014, 54-083-015 and 54-083-023, located at 140 Epley Drive. Zone B_15 is comprised of three (3) parcels.

On December 9, 2020, Zone of Benefit C-1 (“Zone C_1”) was annexed into the District to provide funding for the ongoing maintenance of the shared driveway associated with the Dollar General Development at 1500 and 1510 Garden Highway (parcel numbers 54-010-057 and 54-010-058, respectively). Zone C_1 is located north of River Oaks Drive, south of Burns Drive, and east of Garden Highway. Zone C_1 is comprised of two (2) parcels.

B. DESCRIPTION OF THE IMPROVEMENTS

Improvements for Zone A include the ongoing maintenance and servicing of sixty-eight (68) street lights, five-hundred (500) street trees and median landscaping approximately 2000’ x 11’ x .23’ in size.

Since the Assessment District was initially formed, the City replaced the street light facilities with LED lights. 70 Watt High Pressure Sodium lamps were converted to 52 Watt LED fixtures, and 100 Watt High Pressure Sodium lamps were converted to 52 Watt LED fixtures. However, the standard for commercial areas has been updated since the conversion project was implemented, and the previous LED fixture is now obsolete. Therefore, the new standard for commercial areas is a 70 Watt LED fixture, effective for Zone 6B_8.

Improvements for Zone C_1 include the shared driveway located north of River Oaks Drive, south of Burns Drive and east of Garden Highway.

Provisions of the 1972 Act

As generally defined, the improvements and the associated assessments for any District formed pursuant to the 1972 Act may include one or any combination of the following:

- 1) The installation or planting of landscaping.
- 2) The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- 3) The installation or construction of public lighting facilities, including, but not limited to streetlights and traffic signals.
- 4) The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the

maintenance or servicing thereof; including but not limited to, grading, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.

- 5) The installation of park or recreational improvements including, but not limited to the following:
 - a) Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - b) Lights, playground equipment, play courts and public restrooms.
- 6) The maintenance or servicing, or both, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including, but not limited to:
 - a) Repair, removal, or replacement of all or any part of any improvements.
 - b) Grading, clearing, removal of debris, the installation, repair or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
 - c) Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
 - d) The removal of trimmings, rubbish, debris, and other solid waste.
 - e) The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.
 - f) Electric current or energy, gas, or other agent for the lighting or operation of any other improvements.
 - g) Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- 7) The acquisition of land for park, recreational or open-space purposes, or the acquisition of any existing improvement otherwise authorized by the 1972 Act.
- 8) Incidental expenses associated with the improvements including, but not limited to:
 - a) The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment.
 - b) The costs of printing, advertising, and the publishing, posting and mailing of notices.
 - c) Compensation payable to the County for collection of assessments.
 - d) Compensation of any engineer or attorney employed to render services.

- e) Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.
- f) Costs associated with any elections held for the approval of a new or increased assessment.

III. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments in the District therefore reflects the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on estimated benefit to each parcel.

In addition, pursuant to the Article XIID Section 4, a parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel and provides that only special benefits are assessable and the District must separate the general benefits from the special benefits.

B. BENEFIT ANALYSIS

Each of the improvements and the associated costs has been carefully reviewed and the corresponding assessments have been proportionately spread to each parcel based on special benefits received from the improvements. The installation of the improvements was part of the conditions of property development. The property owners approved the corresponding assessments for the ongoing maintenance and servicing of the improvements through a property owner protest ballot.

Special Benefits — The method of apportionment (assessment methodology) is based on the premise that each of the assessed parcels within the District receives benefit from the improvements maintained and financed by annual assessments. Specifically, the assessments are for the maintenance of local street lighting and landscaped improvements installed as part of the original development. The desirability and security of properties within the District are enhanced by the

presence of street lighting and well-maintained landscaping in close proximity to those properties.

The special benefits associated with the local landscaping improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties within the Zones providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, and dust and debris control.
- Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities including abatement of graffiti.
- Enhanced environmental quality of the parcels within the Zones by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits of street lighting are the convenience, safety, and security of property, improvements, and goods. Specifically:

- Enhanced deterrence of crime and to aid police protection.
- Increased nighttime safety on roads and highways.
- Improved ability of pedestrians and motorists to see.
- Improved ingress and egress to property.
- Reduced vandalism and other criminal acts and damage to improvements or property.
- Improved traffic circulation and reduced nighttime accidents and personal property loss.
- Increased promotion of business during nighttime hours in the case of commercial properties.

All of the preceding special benefits contribute to a specific enhancement and desirability of each of the assessed parcels within the District.

General Benefits - the improvements to be provided and maintained by the District are a direct result of property development within the District and would otherwise

not be required or necessary. Developers typically install local improvements to enhance the marketability and value of properties within the development and/or as conditions of development. In either case, the improvements are clearly installed for the benefit of the properties being developed and not for the benefit of surrounding properties outside the District boundaries. Although local development improvements (by virtue of their location) may be visible to surrounding properties, any benefit to surrounding properties is incidental and cannot be considered a direct and special benefit. Furthermore, most developments within the City typically have various landscaping and lighting improvements specifically associated with their development and these improvements are funded by properties within those developments.

At the time of formation of the Assessment District, the majority of the benefit was special, and there was a small general benefit. The engineer of record between Fiscal Year 2012/2013 and Fiscal Year 2015/2016, further quantified this small general benefit.

The specific language from the most recent Engineer’s Report used to describe General Benefit is as follows:

The maintenance and servicing of these improvements is also partially refunded, directly and indirectly from other sources including Yuba City, Sutter County and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.) This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment District.

The General Benefits from this assessment may be quantified as illustrated in the following table.

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Creation of parcels	90	0%	0
Extention of recreation area	2	10%	0.2
Proximity to improved parks and recreation facilities	2	10%	0.2
Access to improved parks, open space and rec areas	2	10%	0.2
Improved views	2	10%	0.2
Improved nighttime visibility and safety from streetlights	2	20%	0.4
Totals	100		1.2
Total Calculated General Benefit			1.2%

As a result, Yuba City will contribute at least 1.2% of the total budget from sources other than the assessment. This contribution offsets any general benefits from the Assessment Services.

This general benefit contribution is the sum of the following components:

Yuba City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment District improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation and replacement of the curb and gutter is conservatively estimated to be 1%.

Yuba City owns and maintains a storm drainage system along the border of the Assessment District improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

Yuba City owns and maintains local public streets along the border of the Assessment District improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this “annuity” can be used to offset general benefit costs, and is conservatively estimated to contribute 25%.

Therefore, the total General Benefit is conservatively quantified at 1.2%, which is more than offset by the total non-assessment contribution towards general benefit of 28%.⁽¹⁾

⁽¹⁾ *SCI Consulting Group (September 2015). City of Yuba City Landscape Maintenance Assessment District No. 6 Engineer’s Report, Fiscal Year 2015-16. pgs 15-17.*

C. ASSESSMENT METHODOLOGY

For each of the zones of benefit, the level of special benefit received by each parcel in the zone is considered to be equal. Therefore, the estimated annual costs of the improvements for each zone of benefit is determined separately and are apportioned equally to all parcels, developed or undeveloped, within each zone of benefit.

D. ASSESSMENT RANGE FORMULA

Any new or increase in assessments require certain noticing and meeting requirements by law. Prior to the passage of Proposition 218, legislative changes in the Brown Act defined the definition of “new or increased assessment” to exclude certain conditions. These conditions included “any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed.” This definition and conditions were later confirmed through SB919 (Proposition 218 implementation statutes).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments.

Generally, if the proposed annual assessment (levy per unit or rate) for the current fiscal year is less than or equals to the “Maximum Assessment” (or “Adjusted Maximum Assessment”), then the proposed annual assessment is not considered an increased assessment. The Maximum Assessment is equal to the initial Assessment approved by property owners adjusted annually by the following criteria:

- 1) Each fiscal year, the Maximum Assessment will be recalculated.
- 2) The new adjusted Maximum Assessment for the year represents the prior year’s Maximum Assessment adjusted by the percentage change from the previous year to the current year based on the “All Urban Consumers” Consumer Price Index, US City Average (CPI), as compiled by the United States Department of Labor Statistics. Effective Fiscal Year 2017/2018, the CPI month for annual adjustment has changed to January.
- 3) The Maximum Assessment is adjusted each year independently from the annual assessment. While the actual amount assessed may fluctuate each year, the maximum will continue to be increased and in any given year, the assessment may be applied at the Maximum Assessment.

The Maximum Assessment is adjusted annually and is calculated independently of the District’s annual budget and proposed annual assessment. Any proposed annual assessment (rate per equivalent dwelling unit) less than or equal to this

Maximum Assessment is not considered an increased assessment, even if the proposed assessment is greater than the assessment applied in the prior fiscal year. The City Council may reduce or freeze the Maximum Assessment at any time by amending the Engineer's Annual Report.

Although the Maximum Assessment will normally increase each year, the actual District assessments may remain virtually unchanged. The Maximum Assessment adjustment is designed to establish a reasonable limit on District assessments. The Maximum Assessment calculated each year does not require or facilitate an increase to the annual assessment and neither does it restrict assessments to the adjustment maximum amount. If the budget and assessments for the fiscal year does not require an increase, or the increase is less than the adjusted Maximum Assessment, then the required budget and assessment may be applied without additional property owner balloting. If the budget and assessments calculated requires an increase greater than the adjusted Maximum Assessment, then the assessment is considered an increased assessment. To impose an increased assessment, the City Council must comply with the provisions of Article XIID Section 4(c) of the California Constitution, which requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners through the balloting process must approve the proposed assessment increase. If the proposed assessment is approved, then a new Maximum Assessment is established for the District. If the proposed assessment is not approved, the City Council may not levy an assessment greater than the adjusted Maximum Assessment previously established for the District.

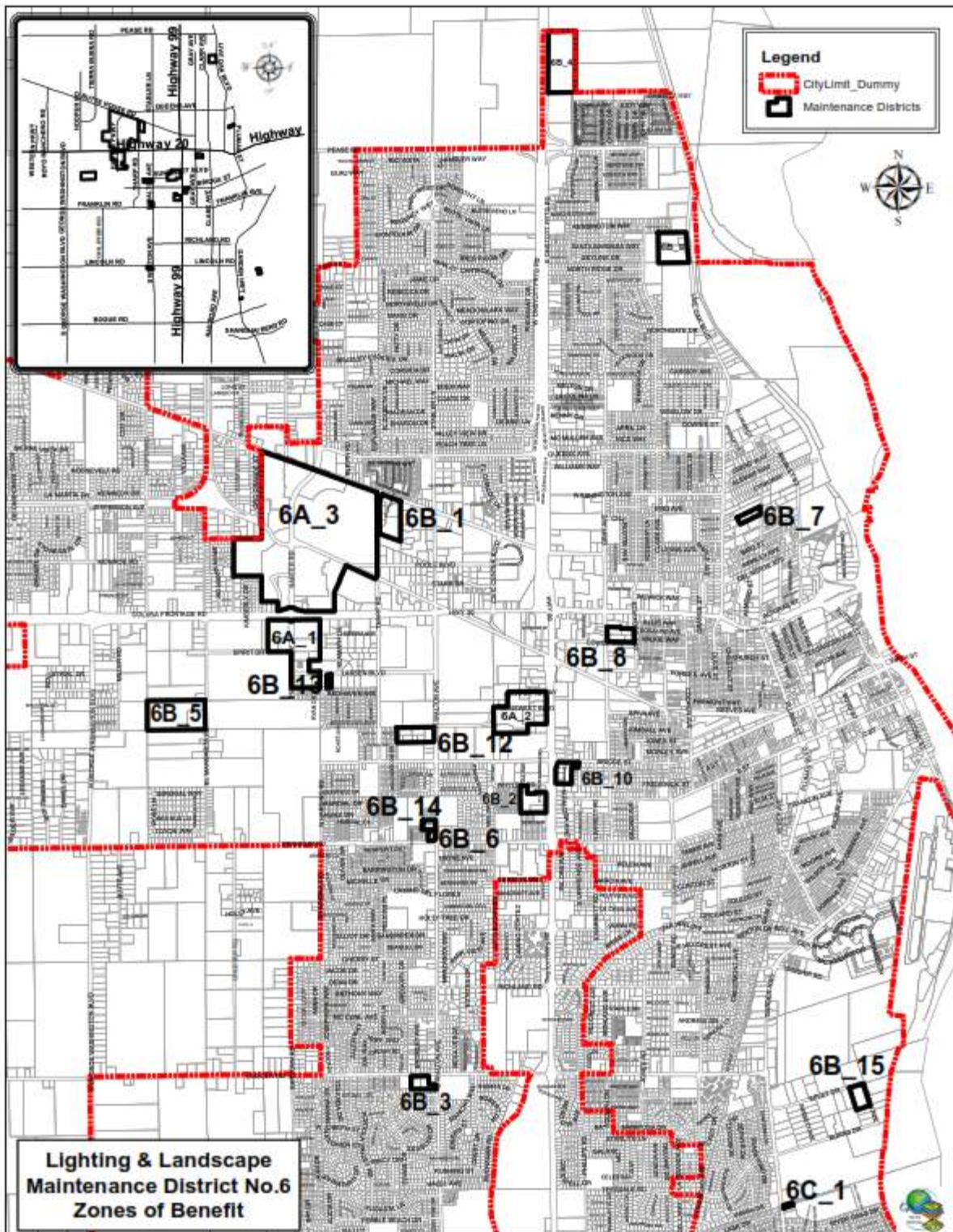
IV. DISTRICT BUDGET FY 2022/2023

The following provides the proposed budget and associated increased maximum assessment commencing in fiscal year 2022/2023. This budget includes the City's estimate of anticipated expenditures, deficits, surpluses, revenues, and reserve fund balances associated with providing appropriate and adequate annual maintenance and operation of the improvements associated with each zone. The resulting maximum assessment rate established for each zone is based on the budget information presented herein and shall be used to calculate each parcel's proportional assessment obligation in accordance with the method of apportionment outlined in this Report.

Appendix A - DISTRICT BOUNDARY MAPS

The original assessment diagrams and tract maps for the District were previously approved and submitted to the City in the format required by the 1972 Act. These diagrams are on file in the Office of the City Clerk and by reference are made part of this Report.

The following are reproductions of the County Assessor's Parcel Map associated with each subdivision and Zone.



Appendix B - 2022/2023 ASSESSMENT ROLL



Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the Sutter County Assessor's map for the year in which this Report is prepared.

A listing of parcels assessed within this District, along with the assessment amounts, is included on the following pages. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

Non-assessable lots or parcels include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility rights-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed or has specific development restrictions. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.