

PRELIMINARY ENGINEER'S REPORT FOR
CITY OF LIVERMORE
MAINTENANCE DISTRICT NO. LL-859
Fiscal Year 2012-13



City of Livermore
Alameda County, California

July 9, 2012

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SECTION I

INTRODUCTION

Background

On February 12, 2007, the Livermore City Council adopted a Resolution of Intention which indicated their intent to start the process to form Maintenance District LL-859 ("District"). On February 14 and February 15, 2007 assessment notices and ballots were mailed to all affected property owners located with the proposed District. On April 9, 2007 a public hearing was held to allow public testimony regarding the formation of the District. On April 10, 2007 the assessment ballots were tabulated by the City Clerk and it was determined that 66% of the ballots received were in favor of forming the District. On April 23, 2007 the Livermore City Council formed Maintenance District LL-859 and authorized the levy of assessments for FY 2006-07.

Proposition 218 Information

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

In order to comply with the requirements of Proposition 218, the City of Livermore implemented the following procedures:

1. Every property owner subject to the proposed assessment was mailed a ballot allowing the property owner(s) the opportunity to vote on whether or not to form the District. The ballots were accompanied by a public notice describing their total estimated assessment, the individual property owner's estimated assessment, the reason for the proposed assessment and the general basis upon which the assessment was calculated.
2. Publicly owned properties (generally those which are developed similar to residential, commercial, and industrial use, as opposed to open space, parks, right-of-way, etc.) were assessed.
3. Assessment ballots returned before the close of the public input portion of the public hearing were tabulated to determine whether or not a majority protest against the proposed assessment existed. Ballots were weighted by each property owners estimated assessment amount.

4. The City of Livermore held a Public Hearing on April 9, 2007, to provide an opportunity for any interested person to be heard. At the conclusion of the public input portion of the Public Hearing, City Council continued the public hearing to April 23, 2007 to allow time for the City Clerk to tabulate the assessment ballots.
5. The results of the assessment balloting process were presented to City Council at their April 23, 2007 Council meeting. It was found that the valid "YES" votes (weighted by assessment amount) represented 66% of the total valid votes (weighted by assessment amount), therefore City Council formed Maintenance District LL-859 and authorized the levy of assessments for FY 2006-07.

Current Annual Administration

As required by the 1972 Act, this Engineer's Report describes the improvements to be operated, maintained and serviced by the District, provides an estimated budget for the District, describes the properties and zones of benefit within the District, describes the method used to allocate the costs to the benefiting properties within the District, and lists the proposed assessments to be levied upon each assessable lot or parcel within the District.

Payment of the assessment for each parcel may be either manually billed by the City or placed on each property owner's secured property tax roll bill. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this Report.

SECTION II

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

MAINTENANCE DISTRICT NO. LL-859

FISCAL YEAR 2012-13

Pursuant to the Landscaping and Lighting Act of 1972 (Part 2 Division 15 of the Streets and Highways Code of the State of California, commencing with Section 22500), and in accordance with the Resolution of Intention, being Resolution No. 2012-____, adopted by the City of Livermore on _____, 2012, I, Cheri Sheets, the duly appointed Engineer of Work, Assessment Engineer for Maintenance District LL-859 ("District") submit the following Report, consisting of Section I (Introduction), and this Section II, which consists of the following five (5) parts:

PART A: PLANS AND SPECIFICATIONS

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

PART B: ESTIMATE OF COST

This part contains an estimate of the cost of the proposed improvements for FY 2012-13, including incidental costs and expenses in connection therewith. The estimate is as set forth on the lists thereof, attached hereto, and is on file in the Office of the City Clerk of the City of Livermore.

PART C: ASSESSMENT DISTRICT DIAGRAM

This part incorporates a Diagram of the District showing the exterior boundaries of the District, the boundaries of any zones within the District and the lines and dimensions of each lot or parcel of land within the District. This Diagram has been prepared by the Engineer of Work and is on file in the Office of the City Clerk of the City of Livermore.

The lines and dimension of each lot or parcel within the District are those lines and dimensions shown on the maps of the Alameda County Assessor for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made a part of this Report.

PART D: METHOD OF APPORTIONMENT OF ASSESSMENTS

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

PART E: PROPERTY OWNER LIST & ASSESSMENT ROLL

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

PART A

PLANS AND SPECIFICATIONS

The streetscape, park, plaza and trail improvements that will be operated, maintained and serviced by the Maintenance District No. LL-859 are generally described below:

1. Streetscapes:

The streetscape improvements which are generally located along 1st Street consist of landscaping, irrigation and irrigation systems, electricity and electrical systems, trees, bushes, shrubs, planters, urns, pots, landscape lighting, landscape trellises, fountains, sidewalks, bluestone pavers, flex zones, benches, bicycle racks, kiosks, drinking fountains, trash receptacles, tree and vine grates and other ancillary improvements identified in the First Street Streetscape Improvement Plans.

2. Plazas:

The plaza improvements consist of landscaping, irrigation and irrigation systems, electricity and electrical systems, trees, bushes, shrubs, planters, urns, pots, landscape lighting, landscape trellises, fountains, sidewalks, bluestone pavers, flex zones, benches, bicycle racks, kiosks, drinking fountains, trash receptacles, flag poles, flag pole lighting, memorial plaques, tree and vine grates and other ancillary improvements identified in the First Street Streetscape Flag Pole Plaza and LVC Park Plaza Improvement Plans.

3. Parks

The park improvements consist of landscaping, irrigation and irrigation systems, electricity and electrical systems, trees, bushes, shrubs, landscape lighting, irrigation systems, sidewalks and trails, benches, bicycle racks, drinking fountains, trash receptacles, playground equipment and other ancillary improvements which are included in Carnegie Park, Hansen Park, Brickyard Park and various neighborhood pocket parks.

4. Trails:

The trails which are generally located along Railroad Avenue consist of decomposed granite, pedestrian bridges, fencing, signage and adjacent landscaping and irrigation and irrigation systems, electricity and electrical systems and other ancillary improvements that are typically constructed within City trail systems.

The location of the improvements described above are shown on the Improvement Location Map in Appendix "A". The plans and specifications for the improvements are on file in the Office of the City Clerk of the City of Livermore.

PART B

ESTIMATE OF COST

The 1972 Act provides that the total cost for the operation, maintenance and servicing of the streetscape, park, plaza and trail facilities can be recovered by the District. Maintenance can include the repair, removal and capital replacement of the existing facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; and the removal of trimmings, rubbish, debris and other solid waste, etc. Servicing can include electrical, water, gas and associated costs from a public utility, etc. Incidental expenses, including administration of the District, engineering fees, legal fees, printing, posting and mailing of notices and all other costs associated with the formation and annual collection of assessments, etc are included in Table 1 below.

The maximum annual maintenance costs (in FY 2012-13 dollars) upon completion of all facilities and the proposed FY 2012-13 annual maintenance costs based upon facilities currently or proposed to be constructed in FY 2012-13 are listed below in Table No. 1.

Improvement Description	Estimated Annual Capital Replacement Costs ¹	Maximum Annual Maintenance Costs	FY 2012-13 Annual Maintenance Costs	General Benefit Percentage	Maximum FY 2012-13 Assessment Revenue	FY 2012-13 Assessment Revenue	FY 2012-13 General Fund Contribution ²	FY 2012-13 General Fund Contribution ³
1st Street Streetscape (L to Maple)	\$133,946	\$369,734	\$310,049	10.00%	\$273,346	\$273,346	\$31,005	\$5,698
1st Street Streetscape (Stanley to L St.)	\$28,573	\$71,112	\$3,000	10.00%	\$65,254	\$2,700	\$300	\$0
1st Street Streetscape (Maple to Inman)	\$21,583	\$52,773	\$0	10.00%	\$31,844	\$0	\$0	\$0
Flag Pole Plaza & Lizzy Fountain	\$30,940	\$118,843	\$72,042	40.00%	\$53,592	\$43,225	\$28,817	\$0
LVC Plaza	\$23,209	\$181,644	\$92,465	40.00%	\$81,912	\$55,479	\$36,986	\$0
Carnegie, Brickyard & Hansen Parks	\$10,963	\$121,723	\$84,417	40.00%	\$54,891	\$50,650	\$33,767	\$0
Pocket Parks ⁴	\$32,240	\$300,136	\$0	95.00%	\$11,279	\$0	\$0	\$0
Trails	\$125,976	\$44,190	\$4,885	53.00%	\$15,213	\$2,296	\$2,589	\$0
Total Estimated Annual Cost	\$407,429	\$1,260,154	\$566,858		\$587,333	\$427,697	\$133,464	\$5,698

¹ Approximately 67% of the costs to replace the capital facilities is a special benefit to the property owners within the boundaries of the District. All capital replacement costs will be the responsibility of the City and will be considered part of the City's contribution towards offsetting any additional general benefits received by properties inside or outside the boundaries of the district.

² The City's required general fund contribution is \$133,464 which covers the estimated general benefits received by properties inside or outside the boundaries of the district.

³ The City will contribute an additional \$5,698 more than the required general benefit contribution of \$133,464 due to the maintenance costs exceeding the maximum revenue that can be collected through assessments.

⁴ 85% of the costs to maintain the pocket parks will directly benefit the developments which install the pocket parks. Therefore 85% of the maintenance costs will be spread to those developments once they are in place and the parks are constructed. 10% of the costs are estimated to be general benefit and 5% are estimated to be special benefit.

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

PART C

ASSESSMENT DISTRICT DIAGRAM

The boundaries and benefit zones of the City of Livermore's Maintenance District No. LL-859 are shown on the Assessment Diagram in Appendix "B". The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Alameda County Assessor for the year in which this Report was prepared and are incorporated by reference herein and made part of this Report.

PART D

METHOD OF APPORTIONMENT OF ASSESSMENT

GENERAL

Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of assessment districts by Agencies for the purpose of providing certain public improvements, which includes the operation, maintenance and servicing of streetscapes, plazas, parks and trails.

Section 22573 of the Landscape and Lighting Act of 1972 requires that assessments must be levied according to special benefit, rather than according to assessed valuations. This Section states:

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

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

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

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

ASSESSMENT METHODOLOGY

The total operation, maintenance and servicing costs for the streetscape, plaza, park and trail improvements are apportioned in accordance with the benefit spread methodology described below.

General Versus Special Benefit

The City may only assess property owners for that portion of the improvements which provide a special and direct benefit to the properties located within the boundaries of the District. General benefits are not assessable and the City must fund that portion of the improvements which provides a general benefit to the public at large with some other funding source, such as the general fund. The 1972 Act does not specify a formula or method to use when determining the amount of general versus special benefit. The Engineer of Work is responsible for conducting the general versus special benefit analysis and then making a recommendation to the City Council, which makes the final determination.

Streetscape Benefit Spread Methodology

Because the construction of the streetscape improvements will occur in three (3) distinct phases and because the types of improvements within each phase will vary substantially from one phase to another, special benefit zones have been developed. These benefit zones are illustrated on the Assessment Diagram located in Appendix "B".

Parcels located within Benefit Zones A-1 will benefit from the streetscape improvements located generally along 1st Street from South L Street to Maple Street. Parcels located within Benefit Zones B-1 will benefit from the streetscape improvements located generally along 1st Street from Stanley Blvd. to South L Street. Parcels located within Benefit Zones C-1 will benefit from the streetscape improvements located generally along 1st Street from Maple Street to Inman Street.

Because most of the streetscape improvements are being constructed to help promote and develop an aesthetically pleasing and vibrant downtown that will attract residents to live and patrons to shop, most of the benefits received from the streetscape improvements will be special and direct benefits to the property owners located adjacent to those improvements. It is estimated that 10% of the costs to operate, maintain and service the streetscape improvements will be a benefit to the general public ("General Benefit") and 90% of the costs to maintain the streetscape improvements will be a special and direct benefit to the property owners located within the District ("Special Benefit"). Table No. 2 below shows the streetscape maintenance costs associated with each construction phase and their proportionate general and special benefit cost allocations.

Table No. 2 - Streetscape Maintenance Cost Allocations				
Improvement Phase	Estimated Total Annual Maintenance Costs	General Benefit Percentage of Total Annual Costs	General Benefit Portion of Total Annual Costs	Special Benefit Portion of Total Annual Costs
Streetscape (Zone "A-1")	\$369,734	10.00%	\$36,973	\$332,761
Streetscape (Zone "B-1")	\$71,112	10.00%	\$7,111	\$64,000
Streetscape (Zone "C-1")	<u>\$52,773</u>	10.00%	<u>\$5,277</u>	<u>\$47,496</u>
Total	\$493,619		\$49,362	\$444,257

The proposed annual streetscape maintenance costs for each benefit zone will be spread to the parcels located within that benefit zone based upon parcel front footage and improved building square footage.

Twenty five percent (25%) of the assessable maintenance cost within each benefit zone will be spread to the parcels fronting the streetscape improvements based upon their proportionate share of parcel frontage fronting the streetscape improvements. The remaining seventy-five (75%) of the assessable maintenance costs within each benefit zone will be spread to the parcels within that benefit zone based on their proportionate share of improved building square footage. The improved building square footage used for assessment calculation purposes is based upon the actual improved building square footage or if the property owner has received entitlements to develop the parcel to a more intense use then the entitlement building square footage was used.

Table No. 3 below shows the streetscape cost allocations by frontage and improved building square footage within Benefit Zone "A-1".

Table No. 3 - Benefit Zone "A-1" Total Streetscape Allocation of Costs			
	Total Estimated Frontage & Improved Sq. Ft.	Total Estimated Annual Assessment	Annual Rate per Front Foot/ Imp. Sq. Ft.
Frontage	2,639	\$83,190	31.53
Area A-1 (Res)	407,789	\$113,827	\$0.279133
Area A-1 (Comercial)	467,173	\$130,403	\$0.279133
Area A-1 (Office)	<u>19,133</u>	<u>\$5,341</u>	\$0.279133
Subtotal	894,095	\$249,571	
Total Revenue		\$332,761	

Table No. 4 below shows the streetscape cost allocations by frontage and improved building square footage within Benefit Zone “B-1”.

Table No. 4 - Benefit Zone "B-1"			
Total Streetscape Allocation of Costs			
	Total Estimated Frontage & Improved Sq. Ft.	Total Estimated Annual Assessment	Annual Rate per Front Foot/ Imp. Sq. Ft.
Frontage	4,218	\$16,000	\$3.79
Area B-1 (Res)	193,778	\$16,240	\$0.083808
Area B-1 (Comercial)	370,598	\$31,059	\$0.083808
Area B-1 (Office)	8,368	\$701	\$0.083808
Subtotal	572,744	\$48,000	
Total Revenue		\$64,000	

Table No. 5 below shows the streetscape cost allocations by frontage and improved building square footage within Benefit Zone “C-1”.

Table No. 5 - Benefit Zone "C-1"			
Total Streetscape Allocation of Costs			
	Total Estimated Frontage & Improved Sq. Ft.	Total Estimated Annual Assessment	Annual Rate per Front Foot/ Imp. Sq. Ft.
Frontage	3,155	\$11,874	\$3.76
Area C-1 (Res)	323,991	\$27,829	\$0.085895
Area C-1 (Comercial)	90,723	\$7,793	\$0.085895
Area C-1 (Office)	0	\$0	\$0.085895
Subtotal	414,714	\$35,622	
Total Revenue		\$47,496	

For example, if a property owner were to construct a 2,500 sq. ft. commercial building which had 50 feet of frontage along 1st Street and was located within Benefit Zone No. A-1 their maximum assessment for the streetscape improvement would be calculated as follows:

Frontage Assmt.	50 feet x \$31.53/ft	= \$ 1,576.50
Improved Sq. Ft Assmt. =	2,500 sq. ft. x \$.279133/sq. ft.	= \$ 697.83
	Total	\$ 2,274.33

Park, Plaza and Trail Improvements

Because most of the park and plaza improvements are similar to the streetscape improvements in that they are being constructed to help promote and develop an aesthetically pleasing and vibrant downtown that will attract residents to live and patrons to shop, most of the benefits received from the park and plaza improvements will be special and direct benefits to the property owners within the District. It is estimated that 40% of the costs to maintain the Flag Pole Plaza/Lizzy Fountain, LVC Plaza, Carnegie Park, Hansen Park and Brickyard Park will be a benefit to the general public ("General Benefit") and the remaining 60% of the costs will be a special and direct benefit to the property owners located within the District ("Special Benefit").

In addition, it is estimated that 85% of the costs to maintain future pocket parks will directly benefit the developments which install the pocket parks because of their close proximity to the parks, 10% of the pocket park costs will be a benefit to the general public and 5% will be a special and direct benefit to the property owners located within the District (excluding developments which installed the pocket parks).

The trail improvements are part of a regional trail system which will be utilized by residents throughout the entire City, not just the downtown area, it is estimated that 53% of the costs to maintain the trail improvements will be a benefit to the general public ("General Benefit") and the remaining 47% of the costs will be a special and direct benefit to the property owners located within the District ("Special Benefit").

Table No. 6 below shows the maintenance cost allocation for each improvement item based upon their general and special benefit percentages.

Table No. 6 - Parks, Plazas & Trail Maintenance Cost Allocations				
Improvement Phase	Estimated Total Annual Maintenance Costs ¹	General Benefit Percentage of Total Annual Costs ¹	General Benefit Portion of Total Annual Costs ¹	Special Benefit Portion of Total Annual Costs ¹
Flag Pole Plaza & Lizzy Fountain	\$118,843	40.00%	\$47,537	\$71,306
LVC Plaza	\$181,644	40.00%	\$72,658	\$108,986
Carnegie, Brickyard & Hansen Parks	\$121,723	40.00%	\$48,689	\$73,034
Pocket Parks	\$300,136	95.00%	\$285,129	\$15,007
Trails	\$44,190	53.00%	\$23,421	\$20,769
Total	\$766,535		\$477,433	\$289,102

¹ 85% of the costs to maintain the pocket parks will directly benefit the development which install the pocket park. Therefore 85% of the maintenance costs will be spread to those developments once they are constructed. 10% of the costs are general benefit and 5% are special benefit.

The proposed methodology to be used to allocate the assessable costs of the parks, plazas and trails will be based upon service population. Service population is divided into two broad classes:

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- Residents living within the Maintenance District; and
- Employees of businesses located within the Maintenance District.

The assessable costs associated with the park, plaza and trail improvements will be spread to each assessable parcel within the District based upon their proportionate share of service population, adjusted for use, as described below. Total estimated service population is based upon the density assumptions used in the City of Livermore's Park Facilities Fee Study, dated November 14, 2004 (Table No. 2, Page No. 10). The estimated service population is 2.61 residents per residential dwelling unit and 2.00 employees per 1,000 sq. ft. of commercial space and 2.86 employees per 1,000 sq. ft. of office space. The improved building square footage used for assessment calculation purposes is based upon the actual improved building square footage or if the property owner has received entitlements to develop the parcel to a more intense use then the entitlement building square footage was used. The estimated service population within the District is shown in Table No. 7 below.

Table No. 7 - Service Population			
Land Use Category	Total Asmt. Dist. Imp. Sq. Ft.	Service Population Rates	Total Service Population
Residential (1,076 units)	1,285,841	2.61 Residents/Unit	2,808
Commercial	1,593,363	2.00 employees/1,000 sq. ft.	3,187
Office	69,747	2.86 employees/1,000 sq. ft.	199
Total	2,948,951		6,195

Based upon the results of the City of Livermore's Park Facilities Fee Study, dated November 14, 2004 the service population associated with non-residential uses have limited hours to utilize the park, plaza and trail improvements. Employees of these non-residential properties typically use these facilities before or after work hours, during lunch or during organized employee functions. Residential property owners have the ability to utilize these improvements throughout each workday and on weekends. Therefore, an adjustment or reduction in assessment must be made to the non-residential service population. The proposed adjusted service population factor is based upon the adjusted service population assumptions used in the City of Livermore's Park Facilities Fee Study, dated November 14, 2004 (Table No. 1, Page No. 8). The adjusted service population for the non-residential is decreased by 81% as shown below in Table No. 8.

Table No. 8 - Adjusted Service Population			
Land Use Category	Total Asmt. Dist. Imp. Sq. Ft.	Total Service Population	Total Adjusted Service Population
Residential (1,076 units)	1,285,841	2,808	2,808
Commercial	1,593,363	3,187	605
Office	69,747	199	38
Total Service Population		6,195	3,452

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The maximum assessment rates for operating, maintaining and servicing the park and plaza improvements are then determined by spreading the projected annual costs proportionately to the adjusted service population for each land use category and then dividing by the total estimated improved square footage for each land use category as shown below in Table No. 9.

Table No. 9 - Parks and Plazas Allocation of Costs					
Land Use Category	Total Asmt. Dist. Imp. Sq. Ft.	Total Service Population	Total Adjusted Service Population	Total Maintenance Cost Allocation	Maximum Assessment per Imp. Sq. Ft.
Residential (1,076 units)	1,285,841	2,808	2,808	\$218,317	\$0.169786
Commercial	1,593,363	3,187	605	\$47,069	\$0.029541
Office	<u>69,747</u>	<u>199</u>	<u>38</u>	<u>\$2,946</u>	\$0.042244
Total	2,948,951	6,195	3,452	\$268,332	

For example, if a property owner were to construct a 2,500 sq. ft. commercial building which had 50 feet of frontage along 1st Street and was located within Benefit Zone No. A-1, their maximum assessment for the park and plaza improvement would be calculated as follows:

$$\text{Improved Sq. Ft. Assmt.} = 2,500 \text{ sq. ft.} \times \$0.029541/\text{sq. ft.} = \underline{\$73.85}$$

Total \$73.85

Since the trail system is not located in the central part of the Maintenance District special benefit zones have been created. Parcels located within Benefit Zone No. 1 are located within close proximity to the trail system and parcels located within Benefit Zone No. 2 are located farther away from the trail system. Therefore, parcels located within Benefit Zone No. 2 will receive a 50% discount in their assessment. The maximum assessment rates for operating, maintaining and servicing the trail improvements are determined by spreading the projected annual costs proportionately to the adjusted service population (with a 50% discount given to Benefit Zone No. 2) for each land use category and then dividing by the total estimated improved square footage for each land use category as shown below in Table No. 10.

Table No. 10 - Trail Allocation of Costs							
Land Use Category	Total Asmt. Dist. Actual Imp. Sq. Ft.	Total Service Population	Total Adjusted Service Population	Benefit Factor	Benefit Factor Adjusted Service Population	Total Maintenance Cost Allocation	Maximum Assessment per Imp. Sq. Ft.
Residential (352 units) - Zone 1	419,485	916	916	1.00	916	\$8,368.16	\$0.019949
Commercial - Zone 1	473,374	947	180	1.00	180	\$1,643.00	\$0.003471
Office Zone - 1	0	0	0	1.00	0	\$0.00	\$0.004963
Residential (724 units) - Zone 2	866,356	1,892	1,892	0.50	946	\$8,641.32	\$0.009974
Commercial - Zone 2	1,119,989	2,240	426	0.50	213	\$1,943.64	\$0.001735
Office Zone - 2	<u>69,747</u>	<u>199</u>	<u>38</u>	0.50	<u>19</u>	<u>\$173.09</u>	\$0.002481
Total	2,948,951	6,195	3,452		2,274	\$20,769.21	

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For example, if a property owner were to construct a 2,500 sq. ft. commercial building which had 50 feet of frontage along 1st Street and was located within Benefit Zone No. 1, their maximum assessment for the trail improvement would be calculated as follows:

$$\begin{array}{rcl} \text{Improved Sq. Ft. Assmt.} = & 2,500 \text{ sq. ft.} \times \$0.003471/\text{sq. ft.} & = \underline{\$8.68} \\ & & \text{Total} \quad \quad \quad \$8.68 \end{array}$$

Maximum FY 2012-13 Assessment Rates and Actual FY 2012-13 Assessment Rates

The maximum FY 2012-13 and proposed FY 2012-13 assessment rates shown below for each improvement type are in FY 2012-13 dollars. Each fiscal year the maximum assessment rates shown may be increased based upon the prior years change in the Consumer Price Index - Urban Wage Earners and Clerical Workers - All Items - San Francisco, Oakland, San Jose Area plus 1%. The base CPI Index that is used for future CPI increase calculations is the February 2006 CPI Index of 202.5. The February 2012 CPI Index is 234.648 which equates to a 21.88% increase in rates since February 2006.

The Maximum and FY 2012-13 assessment rates for the streetscape improvements are as shown below in Table No. 11:

Table II - Streetscape Improvements Maximum & FY 2012-13 Assessments (in FY 2012-13 Dollars) Based on Actual/Current Sq. Ft.				
Benefit Zone	Maximum Assessment per Front Foot	FY 2012-13 Assessment per Front Foot	Maximum Assessment Imp. Sq. Ft.	FY 2012-13 Assessment Imp. Sq. Ft.
A-1	\$31.529	\$31.529	\$0.279133	\$0.279133
B-1	\$3.790	\$0.157	\$0.083808	\$0.003468
C-1	\$3.766	\$0.000	\$0.085895	\$0.000000

The Maximum and FY 2012-13 assessment rates for the park and plaza improvements are shown below in Table No. 12:

Table 12 - Park and Plaza Improvements Maximum & FY 2012-13 Assessments (in FY 2012-13 Dollars) Based on Actual/Current Sq. Ft.		
Property Classification	Maximum Assessment Imp. Sq. Ft.	FY 2012-13 Assessment Imp. Sq. Ft.
Residential	\$0.169785	\$0.125738
Commercial	\$0.029540	\$0.021876
Office	\$0.042243	\$0.031284

The Maximum and FY 2012-13 assessment rates for the trail improvements are shown below in Table No. 13:

Table 13 - Trail Improvements Maximum & FY 2012-13 Assessments (in FY 2012-13 Dollars) Based on Actual/Current Sq. Ft.		
Property Classification	Maximum Assessment Imp. Sq. Ft.	FY 2012-13 Assessment Imp. Sq. Ft.
Residential - Zone 1	\$0.019949	\$0.003011
Commercial - Zone 1	\$0.003471	\$0.000524
Office - Zone 1	\$0.004963	\$0.000749
Residential - Zone 2	\$0.009974	\$0.001505
Commercial - Zone 2	\$0.001736	\$0.000262
Office - Zone 2	\$0.002481	\$0.000374

PROPERTY OWNER APPEALS OF SPECIAL ASSESSMENT LEVIES

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

PART E

PROPERTY OWNER LIST & ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels, and the description of each lot or parcel within the Maintenance District No. LL-859 is shown on the last Equalized Secured Property Tax Roll of the Alameda County Assessor, which by reference is hereby made a part of this Report.

This list is keyed to the Assessor's Parcel Numbers as shown on the FY 2012-13 Assessment Roll in Appendix "C" of this report.

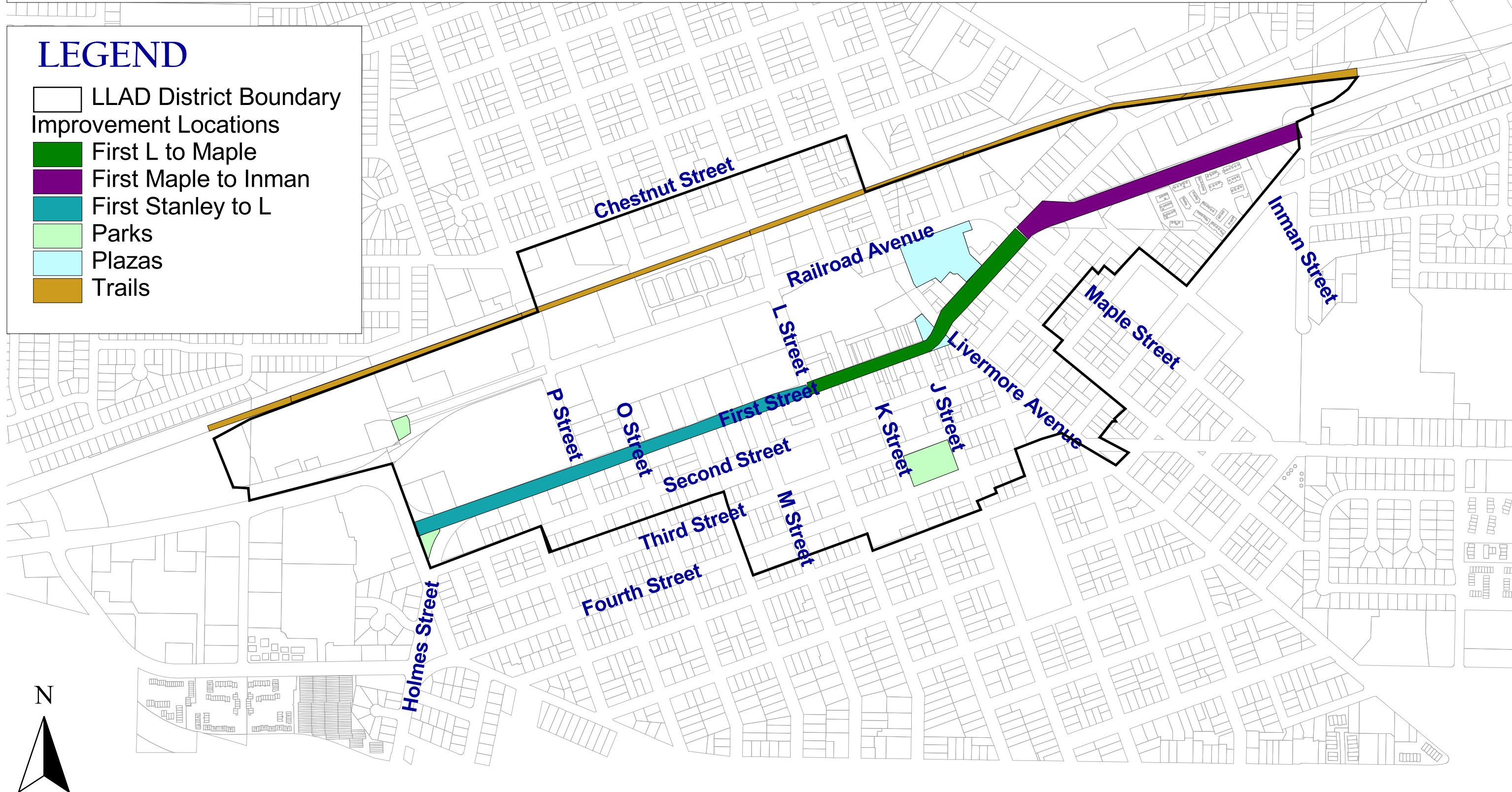
The total proposed assessment for FY 2012-13 is \$427,697.

APPENDIX "A"
IMPROVEMENT LOCATION MAP

City of Livermore - Maintenance District No. LL-859 Improvement Location Map

LEGEND

- LLAD District Boundary
- Improvement Locations
 - First L to Maple
 - First Maple to Inman
 - First Stanley to L
 - Parks
 - Plazas
 - Trails

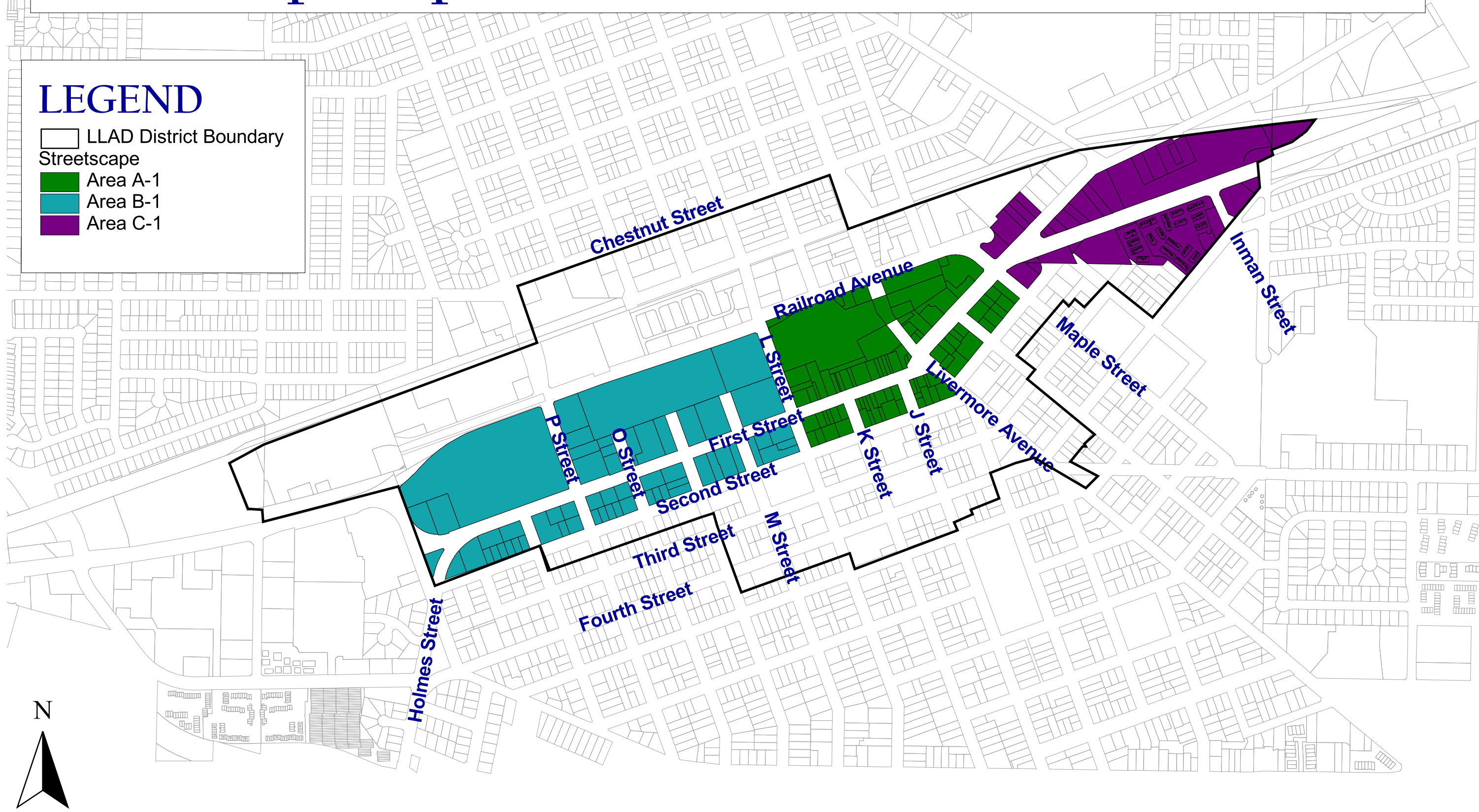


APPENDIX "B"
ASSESSMENT DISTRICT DIAGRAM

City of Livermore - Maintenance District No. LL-859 Streetscape Improvement Benefit Zones

LEGEND

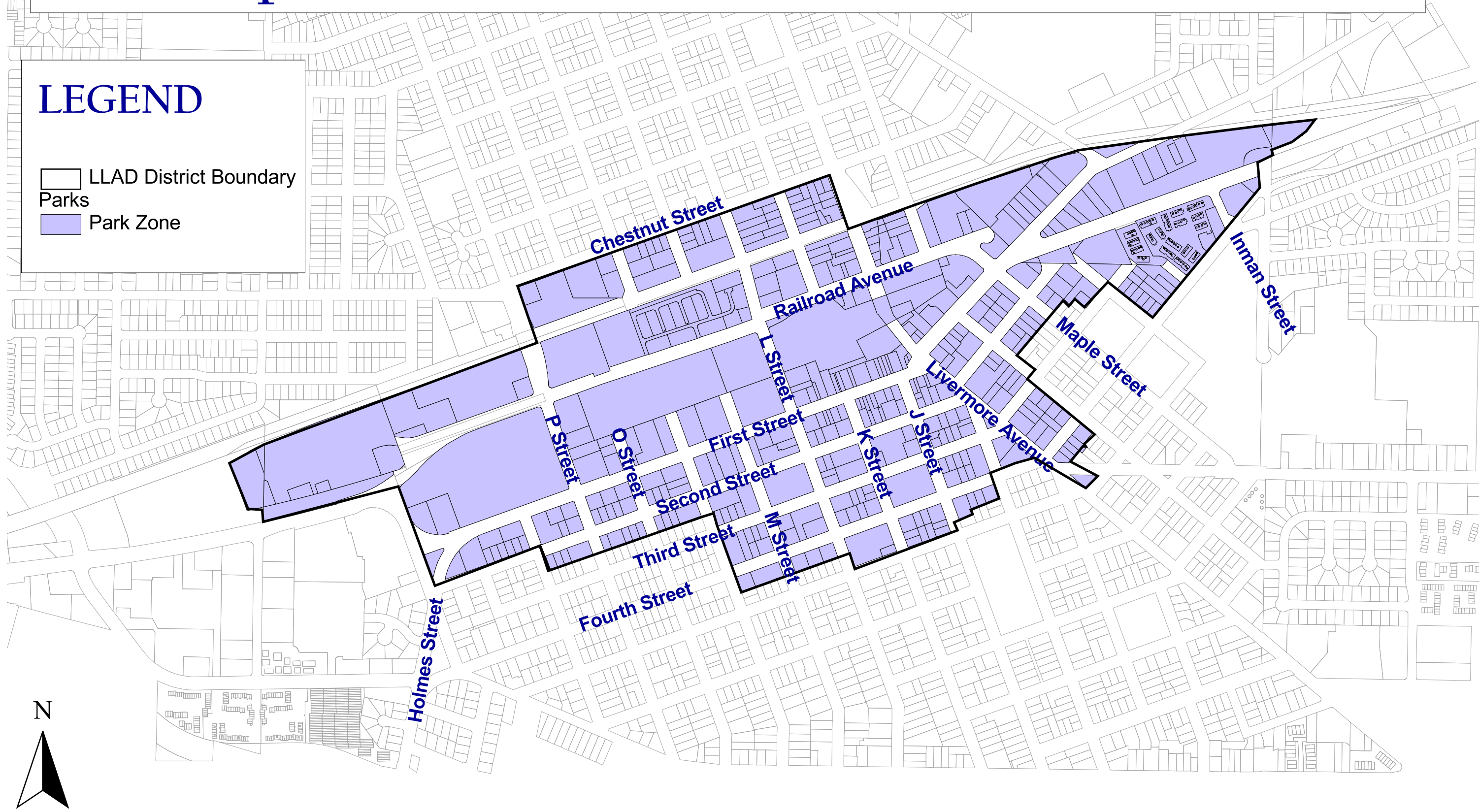
- LLAD District Boundary
- Streetscape
 - Area A-1
 - Area B-1
 - Area C-1



City of Livermore - Maintenance District No. LL-859 Park Improvement Benefit Zones

LEGEND

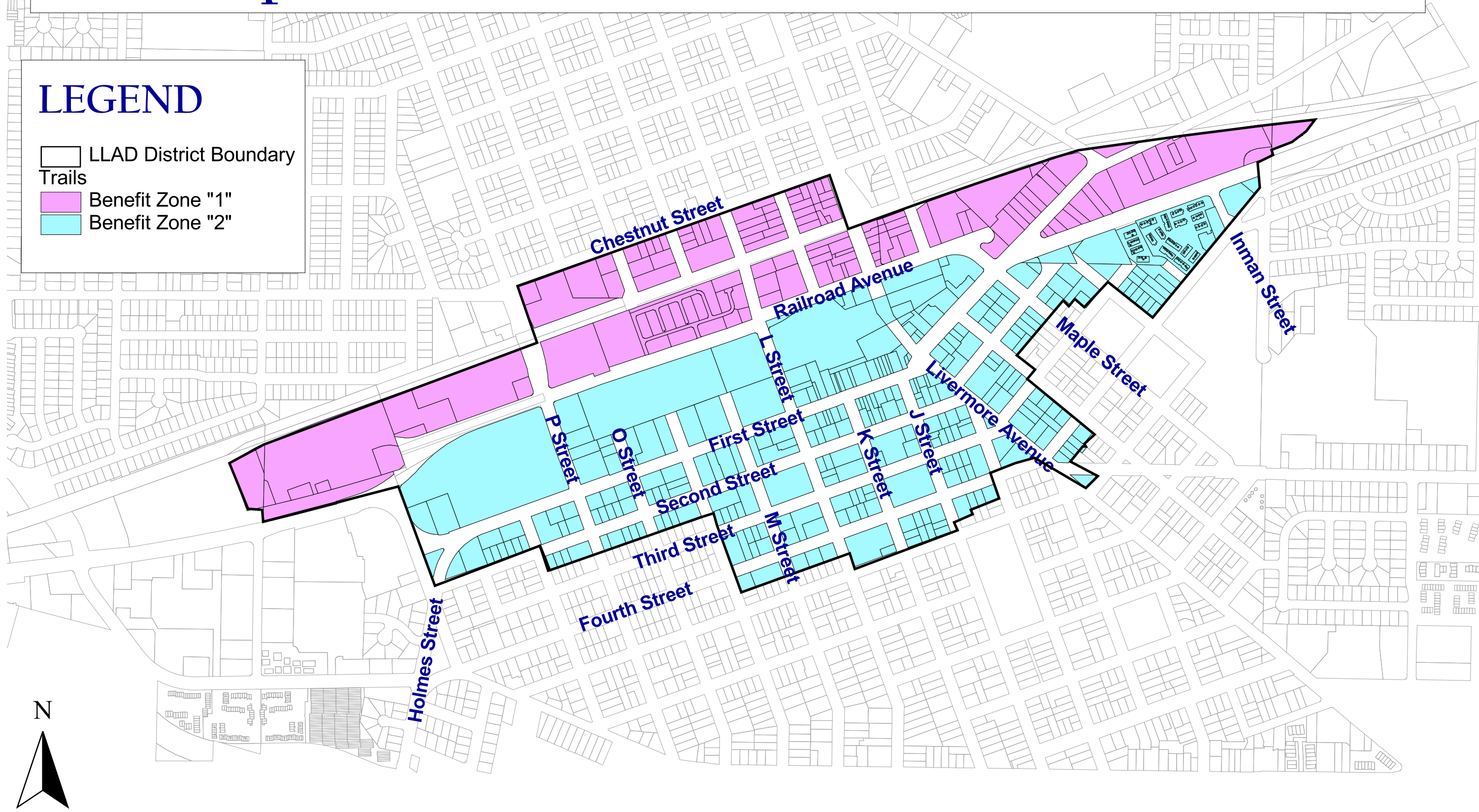
- LLAD District Boundary
- Parks
- Park Zone



City of Livermore - Maintenance District No. LL-859 Trail Improvement Benefit Zones

LEGEND

- LLAD District Boundary
- Trails
 - Benefit Zone "1"
 - Benefit Zone "2"



APPENDIX "C"

ASSESSMENT ROLL &
MAXIMUM ASSESSMENT PER PARCEL
(IN FY 2012-13 DOLLARS)

City of Livermore - Maintenance District No. LL-859

Maximum & FY 2012-13 Assessment Roll

(Maximum Assessments may be Increased by the Prior Year's Change in the CPI plus 1% each Fiscal Year)

Table with columns: Parcel No., Trail Zone, Class, Streetscape Zone, Frontage, Imp Sq Ft, Maximum Frontage Assessment, Maximum Area Assessment, Maximum Park/Plaza Assessment, Maximum Trail Assessment, Maximum Assessment, FY 2012-13 Frontage Assessment, FY 2012-13 Area Assessment, FY 2012-13 Park/Plaza Assessment, FY 2012-13 Trail Assessment, FY 2012-13 Assessment, Owner (Last Name Order), Property Address

City of Livermore - Maintenance District No. LL-859
 Maximum & FY 2012-13 Assessment Roll
 (Maximum Assessments may be Increased by the Prior Year's Change in the CPI plus 1% each Fiscal Year)

Parcel No.	Trail Zone	Class	Streetscape Zone	Frontage	Imp Sq Ft	Maximum Frontage Assessment	Maximum Area Assessment	Maximum Park/Plaza Assessment	Maximum Trail Assessment	Maximum Assessment	FY 2012-13 Frontage Assessment	FY 2012-13 Area Assessment	FY 2012-13 Park/Plaza Assessment	FY 2012-13 Trail Assessment	FY 2012-13 Assessment	Owner (Last Name Order)	Property Address
098-0408-177-00	1	CON	B2	0.000	1,287	\$0.00	\$0.00	\$218.51	\$25.67	\$244.18	\$0.00	\$0.00	\$161.82	\$3.87	\$165.68	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #101
098-0408-178-00	1	CON	B2	0.000	1,880	\$0.00	\$0.00	\$319.20	\$37.50	\$356.70	\$0.00	\$0.00	\$236.39	\$5.66	\$242.04	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #103
098-0408-179-00	1	CON	B2	0.000	1,145	\$0.00	\$0.00	\$194.40	\$22.84	\$217.24	\$0.00	\$0.00	\$143.97	\$3.45	\$147.42	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #105
098-0408-180-00	1	CON	B2	0.000	1,381	\$0.00	\$0.00	\$234.47	\$27.55	\$262.02	\$0.00	\$0.00	\$173.64	\$4.16	\$177.80	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #107
098-0408-181-00	1	CON	B2	0.000	1,381	\$0.00	\$0.00	\$234.47	\$27.55	\$262.02	\$0.00	\$0.00	\$173.64	\$4.16	\$177.80	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #109
098-0408-182-00	1	CON	B2	0.000	1,145	\$0.00	\$0.00	\$194.40	\$22.84	\$217.24	\$0.00	\$0.00	\$143.97	\$3.45	\$147.42	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #111
098-0408-183-00	1	CON	B2	0.000	1,381	\$0.00	\$0.00	\$234.47	\$27.55	\$262.02	\$0.00	\$0.00	\$173.64	\$4.16	\$177.80	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #113
098-0408-184-00	1	CON	B2	0.000	1,145	\$0.00	\$0.00	\$194.40	\$22.84	\$217.24	\$0.00	\$0.00	\$143.97	\$3.45	\$147.42	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #115
098-0408-185-00	1	CON	B2	0.000	1,780	\$0.00	\$0.00	\$302.22	\$35.51	\$337.72	\$0.00	\$0.00	\$223.81	\$5.36	\$229.16	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #117
098-0408-186-00	1	CON	B2	0.000	1,287	\$0.00	\$0.00	\$218.51	\$25.67	\$244.18	\$0.00	\$0.00	\$161.82	\$3.87	\$165.68	SIGNATURE STATION SQUARE LLC	168 GILLETTE PL #119
099-0175-021-01	1	COM	B2	0.000	16,382	\$0.00	\$0.00	\$483.92	\$56.86	\$540.78	\$0.00	\$0.00	\$358.38	\$8.58	\$366.96	OKADA BROS INC	E STANLEY BLVD
099-0175-022-01	1	COM	B2	0.000	984	\$0.00	\$0.00	\$29.07	\$3.42	\$32.48	\$0.00	\$0.00	\$21.53	\$0.52	\$22.04	SAI LA FAMILY LIMITED PARTNERSHIP & LA C ETAL	E STANLEY BLVD
				10,003.360	2,606,930	\$110,780.31	\$259,664.46	\$201,674.42	\$15,213.49	\$587,330.44	\$83,571.11	\$192,475.03	\$149,354.24	\$2,296.18	\$427,693.44		

* APN 097-0024-003-07 is a hardship case and the City will pay the FY 2012-13 Assessment in the amount of \$165.92 and subsequently lien the parcel.

* The FY 2012-13 total assessment levy per parcel must be in even pennies so the County can create a tax bill with two equal payment installments. Therefore the total Maximum and FY 2012-13 assessment levy shown above does not match the total FY 2012-13 assessment levy in Table 1.