

FY 2025-26

ENGINEER'S REPORT

Cosumnes Community Services District

Vista Creek Park Assessment District

May 2025



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Introduction

Overview

The Cosumnes Community Services District (“District”) formed the Vista Creek Park Assessment District (“Assessment District”) in order to provide funding for the maintenance and improvement of a neighborhood park, Vista Creek. This Assessment District consists of residential parcels in the Vista Creek Subdivision located in the upper northeast corner within the boundaries of the Cosumnes Community Services District. If approved, the assessments for this Assessment District will be levied annually, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the “Act”).

On January 29, 2009 a notice of assessment and assessment ballot was mailed to property owners with proposed assessments within the area of the Assessment District. Such notice included descriptions of the assessments and the improvements and services the assessments would fund as well as an explanation of the method of voting on the assessments. Each notice also included a ballot upon which the property owner could mark his or her approval or disapproval of the proposed assessments.

After the ballots were mailed to property owners in the Assessment District, a minimum 45-day time period was provided for the return of the assessment ballots. Following this 45-day time period, a public hearing was held for the purpose of allowing public testimony regarding the assessments. The Public Hearing was scheduled for March 18, 2009. At the Public Hearing, the public had the opportunity to speak on the issue, voice any concerns or protests, and obtain further information about the proposed assessments.

Tabulation began after the close of the public input portion of the Public Hearing. It was determined at the March 18, 2009 Board meeting that the assessment ballots submitted in opposition to the assessments did not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots are submitted).

As a result, the Board gained the authority to approve the levy of the assessments for Fiscal Year 2009-10 and future years. The Board took action, by a Resolution passed on March 18, 2009, to approve the first year levy of the assessments for Fiscal Year 2009-10. The authority granted by the ballot proceeding includes an annual adjustment in the assessment levies equal to the annual change in the Consumer Price Index for the San Francisco Bay Area.

The assessments may be continued in future years by a majority vote of the Board. This annual assessment continuation process requires the creation of a budget for the upcoming fiscal year, an updated assessment roll listing all parcels and their proposed assessments for the upcoming fiscal year, preparation of an updated Engineer's Report, a noticed public meeting at which the Engineer's Report would be preliminarily approved, publication in a local newspaper of the Board's intent to continue the assessment, and a noticed public hearing prior to the Board's decision on continuing the assessments.

This Engineer's Report ("Report") describes the Assessment District, the Assessment District Boundaries, a description of the Improvements to be installed and maintained, and the assessments for Fiscal Year 2025-26. The assessments are based on the estimated cost to operate, maintain and service the Jordan Family Park (the "Improvements"). The assessments are also based on the direct and special benefit to properties within the Assessment District.

If the Board approves this Engineer's Report and the assessments by resolution, a notice of public hearing must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing is used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing is held for the purpose of allowing public testimony about the continuation of the assessments. This hearing is currently scheduled for June 15, 2025. At this hearing, the Board will consider approval of a resolution confirming the assessments for Fiscal Year 2025-26. If the assessments are so confirmed and approved, the levies will be submitted to the County Auditor/Controller for inclusion on the property tax roll for Fiscal Year 2025-26.

Proposition 218

This assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now codified as Articles XIIIC and XIIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including property-owner balloting, for the imposition, increase and extension of assessments, and these requirements are satisfied by the process used to establish this assessment.

Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA”). This ruling is the most current legal guidance clarifying the requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

This Engineer’s Report has been prepared to follow the guidance provided by the SVTA decision for complying with the requirements of Article XIIIC and XIIID of the California Constitution. Specifically, as described in this Engineer’s Report the improvements to be funded are clearly defined; the benefiting property in the Assessment District enjoys close and unique proximity, access and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Assessment District and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. There have been a number of clarifications made to the analysis, findings and supporting text in this Report to ensure that this consistency is well communicated.

Dahms v. Downtown Pomona Property

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, *Dahms* became good law and binding precedent for assessments. In *Dahms* the court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

Bonander v. Town of Tiburon

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

Beutz v. County of Riverside

On May 26, 2010, the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

Compliance with Current Law

This Engineer's Report is consistent with the requirements of Article XIIIC and XIIID of the California Constitution and with the SVTA decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements provide a direct advantage to property in the Assessment District that would not be received in absence of the assessments.

Golden Hill Neighborhood Association v. City of San Diego

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

This Engineer's Report is consistent with *Beutz*, *Dahms* and *Greater Golden Hill* because the Improvements will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Improvements and proportional special benefit to each property.

Description of the Assessment District

Improvements and Services within the Assessment District

The existing and Improvements ("Improvements") are generally described as the installation, maintenance and servicing of the Jordan Family Park and recreation facilities within Jordan Family Park, including but not limited to:

Jordan Family Park:

Jordan Family Park is a 1.70 acre park constructed within the subdivision of Vista Creek on the corner of Jordan Ranch Road and Didorwill Court. Jordan Family Park Improvements to be installed, maintained and serviced throughout the Assessment District include:

- Picnic areas
- Security lighting
- Concrete pathways
- Play structure (Ages 2-5)
- Play structure (Ages 5-12)
- Meditation/stretching area
- Horseshoe court
- Adult fitness equipment
- Shade structure
- 4 picnic tables
- Park benches
- Drinking fountain
- Barbeque pit
- Landscaping
- Irrigation, sprinklers
- Park sign
- Interpretive signage
- 2 Oak trees preserved
- Trash receptacles

The Improvements to be maintained include all necessary service, operations, administration, and maintenance required to keep the above-mentioned Improvements in a healthy, vigorous condition.

“Installation” means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, and recreational facilities.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any Improvement, including repair, removal or replacement of all or any part of any Improvement; providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste, and the cleaning, sandblasting, and painting of walls and other Improvements to remove or cover graffiti.

“Servicing” means the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any Improvements; and water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other Improvements.

Any further plans and specifications for the Assessment District will be filed with the General Manager of the District and are incorporated herein by reference.

Incidental, extra or miscellaneous expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment (Streets & Highways Code §22526). The Assessment proceeds will be exclusively used for Improvements within the Assessment District plus Incidental expenses.

Estimate of Costs and Budget

ESTIMATE OF COSTS

The following Table displays the estimate of the cost of the Improvements that would be funded by the Assessment District in Fiscal Year 2025-26. The expenditures would be governed by the policies, criteria and requirements established within this Report, the Article and by the Act.

Table 1 - Estimate of Costs

	Total Budget
Installation, Maintenance & Servicing Costs	
Improvements	
Park Construction Costs	\$66,048
Salaries and Wages	\$0
Services & supplies	\$763
Operating Transfers Out	\$36,017
Contingencies	\$0
Capital Impv Reserve	\$0
Totals for Installation, Maintenance and Servicing	<u><u>\$102,828</u></u>
Contribution from Other Sources ¹	(\$66,048)
Net Cost of Installation, Maintenance and Servicing to Assessment Dist ¹	<u><u>\$36,780</u></u>
Other Revenue ²	(\$6,516)
Total Park Maintenance and Recreation Improvement District Budget ³ (Net Amount to be Assessed)	<u><u>\$30,264</u></u>
Budget Allocation to Property	
Total Assessment Budget	30,264
Assessment Contribution	
Total number of benefit units	119
Assessment per Single Family Equivalent Unit	\$254.32
Total revenue from Assessments ³	<u><u>\$30,264</u></u>

Notes to Estimate of Cost:

1. As determined in the following section, at least 51% of the cost of Improvements must be funded from sources other than the assessments to cover any general benefits from the

Improvements. Therefore, out of the total cost of Improvements of \$102,828, the District must contribute at least \$52,442 from sources other than the assessments. The District constructed Jordan Family Park at an estimated cost of \$1,015,314. The cost of this park allocated over 30 years at a 5% rate of interest equals \$66,048 per year, which more than covers any general benefits from the Improvements.

2. This amount is the projected ending fund balance at the end of the fiscal year. The Fund Balance shown includes operating reserves and the Capital Improvement Reserve Fund.
3. The Act requires that proceeds from the assessments must be deposited into a special fund that has been set up for the revenues and expenditures of the Improvement District. Moreover, funds raised by the assessment shall be used only for the purposes stated within this Report. Any balance remaining at the end of the fiscal year, July 1, must be carried over to the next fiscal year. The Park District may also establish a reserve fund for contingencies and special projects as well as a capital improvement fund for accumulating funds for larger capital improvement projects or capital renovation needs. Any remaining balance would either be placed in the reserve fund, the capital improvement fund, or would be used to reduce future years' assessments.

Method of Assessment Apportionment

Method of Apportionment

This section of the Engineer's Report includes an explanation of the special and general benefits to be derived by the installation, maintenance and servicing of the Improvements, and the methodology used to apportion the total assessment to properties within the Assessment District.

The Assessment District consists of all Assessor Parcels within the boundaries of the Vista Creek Park Assessment District within the Cosumnes Community Services District. The method used for apportioning the total assessment is based upon the proportional special benefits to be derived by the properties in the Assessment District over and above general benefits conferred on real property in the Assessment District or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Improvements
2. Calculation of the proportion of these benefits that are general
3. Determination of the relative special benefit within different areas within the Assessment District
4. Determination of the relative special benefit per property type
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

Discussion of Benefit

Assessments can only be levied based on the special benefit to property. This special benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the Cosumnes Community Services District's (District's) recreational facilities or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 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 benefits to be received by each such lot or parcel from the improvements."

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

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The SVTA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).

Finally, Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).) The SVTA decision further clarifies that special benefits must provide a direct advantage to benefiting property and that proximity to a park is an example of a special benefit.

Benefit Factors

The special benefits from the Improvements are listed below:

Enhanced proximity and improved access to parks and recreational facilities

The assessments have created and now maintain a new local park and recreation facilities that are proximate and accessible to the benefiting parcels in the Assessment District. Jordan Family Park is located within the Assessment District and the Assessment District boundaries have been narrowly drawn so that all of the properties within the Assessment District enjoy close proximity and accessibility to the park, whereas other properties outside the Assessment District do not enjoy such proximity and access to the Improvements and, therefore, are not specially benefited or assessed.

In absence of the assessments these Improvements in the Assessment District would not be provided because the District does not have alternative funding for the maintenance of Jordan Family Park. Therefore, the assessments clearly and distinctly benefit properties in the Assessment District by providing a clearly defined neighborhood park within the Assessment District that otherwise would not be provided.

Improved maintenance and preservation of local parks and recreation facilities.

The assessments provide funding to maintain, improve and protect Jordan Family Park and thus will preserve the Improvements for the current and future special benefit of property within the Assessment District. For example, the assessments will provide funding to remove graffiti from Jordan Family Park, to keep the park grounds, and landscaping areas clean with consistent trash removal and to adequately maintain the grounds and facilities so that turf areas remain green and healthy and the grounds and facilities in Jordan Family Park do not fall into disrepair and are safe to use by the residents and employees of property in the Assessment District. This is a distinct special benefit to properties in the Assessment District because these parcels are the only ones that enjoy close proximity and good access to the Improvements.

Improved and protected views, scenery and other resources value for benefited property in the Zone of Benefit.

Parks and recreation areas provide other specific and special benefits to property such as landscape buffers, scenic views as well as historic and cultural sites. These are special benefits to property within the Assessment District because the assessed properties in the Assessment District have good proximity and access to the Improvements and therefore benefit from the enhanced and improved views and resource values provided by the assessments.

Enhanced attractiveness and desirability of property in the Assessment District and improved marketability of property in the Assessment District.

As noted, the assessments will provide funding to create, improve, maintain and preserve the Jordan Family Park, a neighborhood park that would not be provided in absence of the assessments. Such Improvements directly and tangibly enhance the overall appeal and desirability of properties within the Assessment District. The Improvements will also make the benefiting properties in the Assessment District more marketable and easier to sell. Other properties outside the Assessment District do not receive these special benefits because they do not enjoy similar access and proximity to the Improvements.

Special Benefit Summary

In summary, in absence of the Assessment District, Jordan Family Park would not be constructed or maintained in the future. Property in the Assessment District currently does not have the advantage of a local neighborhood park located within the Vista Creek Village subdivision. Since the Assessment District was approved, a new neighborhood park was constructed and is being maintained within the Assessment District. Since the Assessment District was narrowly drawn to only include the properties that enjoy close proximity and access to Jordan Family Park, the properties in the Assessment District receive a direct advantage and special benefits from the Improvements.

General Versus Special Benefit

The Cosumnes Community Services District is a Special District created pursuant to the laws of the State of California. There are many types of Special Districts that provide a variety of urban services. Special Districts, like the Cosumnes Community Services District, are created to provide a higher level of service within their boundaries than what would be provided in their service area in absence of the Special District. The Assessment District will allow the Cosumnes Community Services District to provide additional, tangible Improvements within the boundaries of the Assessment District at a much higher level than what otherwise would be provided in absence of the assessments. Moreover, in absence of the assessments, no other agency would provide the Improvements nor would the District because it does not have alternative available funds to provide the Improvements.

All of the assessment proceeds derived from the Assessment District will be utilized to fund the cost of providing a level of tangible “special benefits” in the form of a new neighborhood park and recreation facilities in Jordan Family Park, and other Improvements and costs incidental to providing the Improvements and collecting the assessments. The Assessment District boundaries have been narrowly drawn to include only those properties that enjoy good proximity and access to Jordan Family Park. Other properties that are outside the Assessment District are not specially benefited or assessed because they do not enjoy the proximity, access, views and other special benefit factors received by property within the Assessment District.

We therefore conclude that the park and recreation Improvements funded by this assessment are of special benefit to all benefiting properties located within the Assessment District and that the value of the special benefits from the Improvements to property in the Assessment District reasonably exceeds the amount of the assessments for every assessed parcel in the Assessment District.¹

Although this determination of 100% special benefits from the Improvements is justified, a more conservative approach is to estimate a percentage of general benefits from the Improvements and establish a requirement for funding from other sources to cover any general benefits from the Improvements.

Article XIID of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

$$\text{Total Benefit} = \text{General Benefit} + \text{Special Benefit}$$

¹ In other words, as required by Article XIID, we find that the reasonable cost of the proportional special benefit exceeds the amount of assessment for each assessed parcel in the Assessment District.

There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. The SVTA decision provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this Report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the current, baseline level of service. The assessment will fund Improvements “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to Real Property Outside the Assessment District	+	Benefit to Real Property Inside the Assessment District that is Indirect and Derivative	+	Benefit to the Public at Large
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Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this Assessment, as noted, properties in the Assessment District have close and unique proximity, views and access to the Improvements and uniquely improved desirability from the Improvements and other properties and the public at large do not receive significant benefits because they do not have proximity, access or views of the Improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special, and is only minimally received by property outside the Assessment District or the public at large.

In the 2010 Beutz case, the 4th Appellate Court rejected an assessment for parks in large part because the general benefits were not calculated and quantified. In its decision, the 4th Appellate Court suggests that the use of parks in an assessment district by people who live outside of the district likely is a general benefit. The Assessments described and justified in this Engineer’s Report include a specific calculation of general benefits, as described below, that is based in part on such use by people outside of the Improvement District. Moreover, the proportionality of the Assessments for each parcel, based in large part on proximity is established as well. Therefore, the Assessments and this Engineer’s Report are consistent with the Beutz decision.

Benefit to Property Outside the Assessment District

Properties within the Assessment District receive almost all of the special benefits from the Improvements because properties in the Assessment District enjoy unique close proximity and access to the Improvements that is not enjoyed by other properties or the public at large. However, certain properties within the proximity/access radius of the Improvements and outside of the boundaries of the Assessment District and not with a lack of proximity and access due to obstacles such as railroads or major roadways, may receive some benefit from the Improvements. Since this benefit is conferred to properties outside the Assessment District boundaries, it contributes to the overall general benefit calculation and will not be funded by the Assessments.

The properties outside the Assessment District and within the proximity radii for neighborhood parks in the Assessment District and without access obstructions such as railroads and major roadways may receive benefits from the Improvements. Since the properties outside the Assessment District but with proximity and access are not assessed for their benefits, this is a form of general benefit to the public at large and other property. A 50% reduction factor is applied to these properties because they are all geographically on only one side of the Improvements and are over twice the average distance from the Improvements compared to properties in the Assessment District. The general benefit to property outside of the Assessment District is calculated as follows with the parcel and data analysis performed by SCI Consulting Group.

Criteria:

556 parcels outside the district but within 0.5 miles of a park within the Assessment District

122 parcels in the Assessment District

50% relative benefit compared to property within the Assessment district

Calculation

General Benefit to Property Outside the Assessment District =

$(556/(556+122))*.5 = \mathbf{41.0\%}$

Although it can reasonably be argued that Improvements inside, but near the Assessment District boundaries are offset by similar park and recreational improvements provided outside, but near the Assessment District's boundaries, we use the more conservative approach of finding that 41% of the Improvements may be of general benefit to property outside the Assessment District.

Benefit to Property *Inside* the District that is *Indirect and Derivative*

The “indirect and derivative” benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Improvements are clearly “over and above” and “particular and distinct” when compared with the baseline level of service and the unique proximity, access and views of the Improvements enjoyed by benefiting properties in the Assessment District.

Nevertheless, the SVTA decision indicates there may be general benefit “conferred on real property located in the district”. A measure of the general benefits to property within the Assessment area is the percentage of land area within the Assessment District that is publicly owned and used for regional purposes such as major roads, rail lines and other regional facilities because such properties used for regional purposes could provide indirect benefits to the public at large. None of the land area in the Assessment District is used for such regional purposes.

Benefit To The Public At Large

The general benefit to the public at large can be estimated by the proportionate amount of time that the Assessment District’s parks and recreational facilities are used and enjoyed by individuals who are not residents, employees, customers or property owners in the Assessment District. Based on surveys and research conducted by SCI, less than 5% of the use of similar parks and recreation areas is by the public at large. When people outside the Assessment district use parks, they diminish the availability of parks for people within the Assessment district. Therefore, another 5% of general benefits are allocated for people within the Assessment district. Combining these two measures of general benefits, we find that 10% of the benefits from the Improvements are general benefits to the public at large.

Total General Benefits

Using a sum of these three measures of general benefit, we find that approximately 51% of the benefits conferred by the Improvements may be general in nature and should be funded by sources other than the assessment.

General Benefit Calculation

41.0% (Outside the Assessment District)
+ 0.0% (Inside the Assessment District – indirect and derivative)
+ 10.0% (Public at Large)
= 51.0% (Total General Benefit)

This analysis finds that 51% of the assessment may provide general benefits, so the Assessment Engineer establishes a requirement for a minimum contribution from sources other than the assessments of 51%.

The Assessment District's total budget for maintenance and improvement of its parks and recreational facilities is \$102,828. Of this total budget amount, the District will contribute \$66,048 from sources other than the assessments for the construction of the park and recreation facility improvements. The estimated park construction cost of \$760,000 is allocated over a 30 year period at a rate of 5% interest, resulting in a general benefit of \$66,048 per year. This contribution by the District equates to approximately 64% of the total budget for maintenance and improvements and constitutes far more than the amount attributable to the general benefits from the Improvements.

In the 2010 Beutz case, the 4th Appellate Court rejected an assessment for parks in large part because the general benefits were not calculated and quantified. In its decision, the 4th Appellate Court suggests that the use of parks in an assessment district by people who live outside of the district likely is a general benefit. The Assessments described and justified in this Engineer's Report include a specific calculation of general benefits, as described below, that is based in part on such use by people outside of the Improvement District. Moreover, the proportionality of the Assessments for each parcel, based in large part on proximity is established as well. Therefore, the Assessments and this Engineer's Report are consistent with the Beutz decision.

Method of Assessment

Pursuant to the Landscaping and Lighting Act of 1972 and Article XIID of the Constitution of the State of California, all parcels that have special benefit conferred upon them as a result of the Improvements shall be identified and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire cost of the Improvements. Only parcels that receive direct special benefit are assessed, and each parcel is assessed in proportion to the estimated benefit received.

Each parcel's benefit is determined by the difference between the general and special benefits being conferred on the properties by the Improvements, the special benefits being covered which are conferred only on the Assessment District, and the proportion of the special benefit conferred on the various land uses within the Assessment District.

In summary, the Assessment Engineer determined that the appropriate method of assessment should be based on the proximity of the property to the Improvements, type of property, the relative size of the property and the property's location. This method is further depicted below.

Equation 1 – Special Benefit Apportionment Factors

$$\text{Special Benefit} \approx \sum \text{(Special Benefit apportionment factors including use property type, size, location, and proximity to Improvements)}$$

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one "Equivalent Dwelling Unit" or "EDU"). This EDU methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Engineer's Report, all properties are assigned an EDU value, which is each property's relative special benefit in relation to a single family home on one parcel (the benchmark parcel). The formula for this special benefit assignment is as follows:

Equation 2 – Relative Special Benefit (EDU)

$$\text{Relative Special Benefit} \approx \frac{\text{Special Benefit for a Specific Parcel}}{\text{Special Benefit for the Benchmark Parcel}}$$

Residential Properties

All improved residential properties represent a single residential dwelling unit and are assigned 1.00 EDU per dwelling unit. Traditional houses, zero-lot line houses, and townhomes are included in this category.

Vacant and Undeveloped Properties

The relative special benefit for vacant properties was determined per Equation 1 to be 0.25 EDUs per parcel. This reduced level of benefit to vacant properties is based on the determination that most of the benefits from park and recreation facilities flow to the improved use of properties, instead of the underlying land.

Other Properties

Currently, there are no commercial or other improved types of properties in the Assessment District. In the unlikely event that commercial, industrial or other property types in the Assessment District are established at a later date, each such property will be assigned 1.00 EDU per one-fifth acre.

Calculation of Assessments

The assessment is determined by dividing the total cost of all the work to be performed by the total number of EDU's.

Annual Cost Indexing

It should also be noted that, if the assessments are approved, the maximum assessment rate within the Assessment District may increase in future years by an amount equal to the annual change in the Bay Area Consumer Price Index.

Appeals of Assessments Levied to Property

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the Cosumnes Community Services District Engineer or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the District Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the District Engineer or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the Assessment Roll. If any such changes are approved after the Assessment Roll has been filed with the County for collection, the District Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District Engineer or his or her designee shall be referred to the Board of Directors of the Cosumnes Community Services District, and the decision of the Board shall be final.

Assessment

WHEREAS, this Engineer's Report (the "Report") has been prepared pursuant to the provisions of the Landscaping and Lighting Act of 1972 (the "Act") and Article XIID of the California Constitution; and

WHEREAS, the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Improvements upon all assessable parcels within the Assessment District;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under the Act, Article XIID of the California Constitution and the order of the Board of the Cosumnes Community Services District, hereby make the following assessment to cover the portion of the estimated cost of said Improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

As required by the Act, an Assessment Diagram showing the exterior boundaries of said Assessment District is hereto attached and incorporated herein by reference. The distinctive number of each parcel or lot of land in the said Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Improvements, and more particularly set forth in the Estimate of Cost and Method of Assessment in the Report.

The assessment is subject to an annual adjustment tied to the amount equal to the annual change in the Bay Area Consumer Price Index.

The change in the CPI from February 2024 to February 2025 was 2.689%. Therefore, the maximum authorized assessment rate for Fiscal Year 2025-26 is increased by 2.689% which equates to \$254.32 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for Fiscal Year 2025-26 at the rate of \$254.32, which is equal to the maximum authorized assessment rate.

The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said Improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Sacramento for the Fiscal Year 2025-26. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the Fiscal Year 2025-26 for each parcel or lot of land within the said Assessment District.

Dated April 24, 2025

Engineer of Work



By _____

John W. Bliss, License No. C052091



Assessment Diagram

The Assessment District includes all properties within the boundaries of Vista Creek Park Assessment District. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Sacramento, for Fiscal Year 2025-26, and are incorporated herein by reference, and made a part of this Diagram and this Report.



Assessment Roll for Fiscal Year 2025-26

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the Secretary of the Board and is, by reference, made part of this Report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.