



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

**Prepared by: Bill Guerin,
Director of Public Works**

City Manager Approval: 

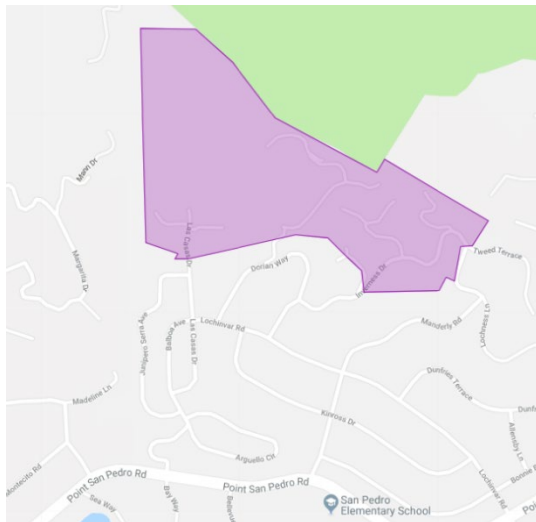
TOPIC: SPECIAL TAX ON PROPERTIES AT LOCH LOMOND 10 - MELLO-ROOS DISTRICT NO. 1992-1

SUBJECT: RESOLUTION SETTING THE SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 1992-1 (LOCH LOMOND #10) FOR FISCAL YEAR 2022-23

RECOMMENDATION:

Adopt a resolution setting the special tax rates for Fiscal Year 2022-23 for Community Facilities District No. 1992-1 (Loch Lomond 10).

BACKGROUND: Loch Lomond 10 is a community facilities district (commonly referred to as a "Mello-Roos") located on the Pt. San Pedro Peninsula, north of Point San Pedro Road. The community facilities district comprises 28 home parcels, and one open space parcel which borders China Camp State Park open space.



The community facilities district was formed in the early 1990s when the area was developed. The District was formed, in part, to provide funding to mitigate the drainage impacts and concerns of the development on the surrounding Loch Lomond community. This was extensively documented in the Environmental Impact Review (EIR) documents, comments, and subsequent approvals for the original subdivision. The final conditional approval of Loch Lomond 10 required the District to be formed. The District was created to have three funds of money with which to maintain and operate the storm drain system and insure against damage from potential landslides. These functions were defined in the formation of Community Facilities District No. 1992-1 and passed by resolution #8839 by the City Council on March 1,

1993. The three funds and purposes are as follows:

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2

1. **Self-Insurance Fund:** Provides a fund balance of \$500,000 plus accumulated interest to cover the deductible amount of the City's insurance should a landslide occur in the watershed above the District.
2. **Sinking Fund:** Provides for long term capital replacement of drainage infrastructure and facilities as the original may fall into disrepair.
3. **Maintenance Fund:** Provides for maintaining drainage facilities within the Loch Lomond 10 boundary to include annual cleaning of drainage structures, monitoring structures during storm events, and cleaning facilities as required during storm events.

Since the early 1990s, the Finance Department has brought forward the levying of this annual special tax to City Council in the spring. The annual special tax collected is divided in the three distinct funds; a portion of the special tax went to the Self-Insurance Fund, the Sinking Fund, and the Maintenance Fund. The Self-Insurance fund portion of the special tax was \$1,852 per parcel annually until the \$500,000 balance was achieved in FY 2004-05, and thereafter, the annual special tax for the Self-Insurance fund was \$0.

An overview of recent assessments for the district are as follows:

		Self- Insurance Fund	Sinking Fund	Maintenance Fund
FY 2016-17*	Assessment	\$0	\$143	\$435
	Total revenue	\$0	\$3,861	\$11,745
FY 2017-18*	Assessment	\$0	\$143	\$435
	Total revenue	\$0	\$3,861	\$11,745
FY 2018-19**	Assessment	\$0	\$0	\$0
	Total revenue	\$0	\$0	\$0
FY 2019-20	Assessment	\$0	\$171	\$622
	Total revenue	\$0	\$3,538	\$16,791
FY 2020-21	Assessment	\$0	\$174	\$661
	Total revenue	\$0	\$4,701	\$17,857
FY 2021-22	Assessment	\$0	\$178	\$709
	Total revenue	\$0	\$4,795	\$19,148
FY 2022-23 (proposed)	Assessment	\$0	\$181.14	\$867
	Total revenue	\$0	\$4,890.78	\$23,417.64

**While the Sinking Fund and Maintenance Fund have an allowable annual inflationary factor (increase), the rates of \$143 and \$435 were held flat from FY 2011-12 to FY 2017-18.*

***In late 2017, the Homeowners Association Board of Loch Lomond Highlands requested the City review historical expenditures and provide an accounting of the finances of the Loch Lomond 10 community facilities district, as well as conduct a thorough review of the purpose and allowable expenditures of the three district funds. Due to the ongoing nature of the research at the time FY 2018-19 assessments would have been levied, it was decided that there would be no special tax levied in spring 2018 for FY 2018-19.*

Applying the allowable 2% inflationary factor to the Sinking Fund Assessment brings the FY 2022-23 Assessment from \$178 to \$181.14. Applying the allowable personal income index inflationary factor for San Francisco area to the Maintenance Fund Assessment brings the FY 2022-23

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 3

assessment from \$709 to \$867. See Attachment 2 for Sinking Fund and Maintenance Fund calculations.

In late 2017, the Homeowners Association Board of Loch Lomond Highlands requested that the City review historical expenditures and provide an accounting of the finances of the Loch Lomond 10 community facilities district, as well as conduct a thorough review of the purpose and allowable expenditures of the three district funds.

Since that time, the City and homeowners have worked together on a Maintenance Manual and annual maintenance plan for the district. The City sends the Homeowners Association regular reports and updates on maintenance activities in the district, and the HOA provides the City feedback and direction on where they would like maintenance activities directed.

ANALYSIS: In FY 2021-22, the district generated \$22,557.96 in funds to be utilized for allowable maintenance purposes within the Loch Lomond #10 Maintenance District. The funds were utilized as follows:

FY 2021-22 Maintenance Activity	Amount
County Admin Fee	\$54.00
City provided services (July 2021 – April 2022)	\$8,544.00
Vegetation Management (May 2022 – June 2022)	\$10,500.00
Total	\$19,098.00

The \$8,544 in City provided services costs represents only a portion of the actual cost of Public Works Streets Maintenance staff maintaining the district during FY 2021-22. In addition to the typical pre-storm inspection and clearing of catch basins, staff spent several days in August 2021 with Ad-Lite Craning Services clearing debris from the upper and lower Las Casas drainage basins within the district, removing several tons of debris. Throughout the storm season DPW staff patrolled, inspected and cleared drainage basins within the district to ensure the system continued to flow properly to the downhill drainage infrastructure.

It is important to note the City may only seek reimbursement for staff time from the special district based on what is available in the Maintenance Fund. The balance of the maintenance fund will be used by City staff during May and June 2022 to complete an additional \$10,500 of vegetation management services. Annually, the Loch Lomond #10 Maintenance Fund balance ends the year at \$0. The City’s General Fund subsidizes additional City staff time beyond the available Loch Lomond #10 maintenance funding.

For FY 2022-23, the City plans to utilize 100% of available maintenance funds. The Maintenance Activities for the coming year are anticipated as follows:

FY 2022-23 Maintenance Activity	Amount
County Admin Fee	\$120.00
Incidental Expenses (<i>Engineer’s Report + Bond Value reduction</i>)	\$14,729.69
City Staff Time (<i>vegetation management</i>)	\$8,567.95
Total	\$23,417.64

FISCAL IMPACT: All district financial activities are within Fund #236. Public Works intends to utilize the full amount of Maintenance funds available each year for contracted maintenance activities and the remainder to reimburse City staff time within the allowable and intended use of District funds.

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 4

The Sinking Fund shall be used to cover larger, capital costs, though with a current fund balance of \$36,336.42, it will take many more years to build up the fund to a significant amount to cover the rebuilding of any capital infrastructure in the District.

The Loch Lomond 10 Self-Insurance Fund shall remain reserved for its intended purpose of use for a claim within the District that would otherwise be covered by the City's excess liability insurance to pay the City-required self-insured retention under this coverage. The FY 2021-22 Year End fund balance for the Self-Insurance Fund is projected to be \$723,484.20 and represents the \$500,000 balance, plus all accumulated interest over time.

OPTIONS:

The City Council has the following options to consider relating to this matter:

1. Adopt the resolution as presented, levying the full special tax for Loch Lomond 10 – Mello-Roos District No. 1992-1 for FY 2022-23.
2. Do not adopt the resolution as presented. Provide direction to staff to make changes on recommended future actions.

RECOMENDED ACTION: Adopt a resolution setting the special tax rates for FY 2022-23.

ATTACHMENTS:

1. Resolution setting the District Tax for FY 2023-23 at \$1,048.46 per parcel
2. Annual Engineer's Report for Loch Lomond #10 CFD
3. Loch Lomond #10 Assessment Roll and Calculations (based on prior year's Engineer's Report)

RESOLUTION NO.

**A RESOLUTION OF THE SAN RAFAEL CITY COUNCIL
SETTING THE SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT
NO. 1992-1 (LOCH LOMOND #10) FOR FISCAL YEAR 2022-23**

WHEREAS, the City Council of the City of San Rafael by Resolution No. 8839 formed “Community Facilities District No. 1992-1, (Loch Lomond #10), City of San Rafael, County of Marin, State of California,” (hereafter “CFD 1992-1”); and

WHEREAS, the landowners of CFD 1992-1 voted in a mail ballot election called by the City Council by Resolution No. 8840, and unanimously approved the imposition of a special district tax, as declared in Resolution No. 8841; and

WHEREAS, on March 9, 1993, the City of San Rafael prepared and caused to be recorded a “Notice of Special Tax Lien” for all of the parcels within CFD 1992-1, which included the facilities and services to be funded by the tax, and method for establishing a rate and calculating the apportionment of the tax; and

WHEREAS, on July 17, 1995 the City Council adopted Ordinance No. 1683 levying special taxes within CFD 1992-1; and

WHEREAS, Ordinance No. 1683 provides that the special tax rate will be set annually by resolution subject to the maximum authorized by Resolution No. 8839; and

WHEREAS, the Department of Public Works is recommending the amount of the special taxes to be assessed in FY 2022-23 as \$181.14 for the Sinking Fund and \$867.32 in the Maintenance Fund – totaling \$1048.46; and

WHEREAS, the City Council wishes to set the specific tax rate to be imposed on the parcels within CFD 1992-1 in fiscal year 2022-23;

NOW THEREFORE BE IT RESOLVED that the City Council of San Rafael hereby sets the special tax for Community Facilities District No. 1992-1 (Loch Lomond #10) at \$1048.46 per parcel for FY 2022-23 (\$181.14 towards the Sinking Fund and \$867.32 towards the Maintenance Fund), excepting exempt Assessor Parcel Nos. 16-330-12,13,14, as provided in the Assessment Roll for fiscal year 2022-23 on file with the City Clerk and incorporated herein by reference.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday the 6th day of June 2022, by the following vote, to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

ENGINEER'S ANNUAL REPORT
FOR
LOCH LOMOND #10
MELLO-ROOS
COMMUNITY FACILITIES DISTRICT 1992-1

2022 – 2023

Prepared for
FOR THE CITY OF SAN RAFAEL
CALIFORNIA
COUNCIL MEETING
JUNE 6, 2022

Prepared By:
CSW/Stuber-Stroeh Engineering Group, Inc.
45 Leveroni Court
Novato, CA 94949

**ENGINEER'S ANNUAL REPORT
2022-2023**

LOCH LOMOND DISTRICT #10
CITY OF SAN RAFAEL, MARIN COUNTY, CALIFORNIA
Mello-Roos Community Facilities District

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

DATED: _____, 2022.

CSW/STUBER-STROEH ENGINEERING GROUP, INC.
Engineer of Work

By _____
Alan G. Cornwell

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2022.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was approved on _____, 2019 and confirmed by the City Council of the City of San Rafael, Marin County, California, on the _____ day of _____, 2022.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was filed with the County Auditor of the County of Marin on the _____ day of _____, 2022.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

**ENGINEER'S ANNUAL REPORT
2022-2023**

LOCH LOMOND DISTRICT #10
CITY OF SAN RAFAEL, MARIN COUNTY, CALIFORNIA
Mello-Roos Community Facilities District

CSW/Stuber-Stroeh Engineering Group, Inc., Engineer of Work for Loch Lomond #10 District, City of San Rafael, Marin County, California, makes this annual report, as directed by the City Council, by its Resolution No. _____, adopted _____, 2022.

The improvements which are the subject of this report are briefly described as follows:

The District was created to have three funds of money with which to maintain and operate the storm drain system and insure against damage from potential landslides. The three funds are defined as a maintenance fund, a sinking fund and insurance reserve fund. These functions were defined in the formation of Community Facilities District No. 1992-1 and passed by resolution #8839 by the City Council Meeting on March 1, 1993. The resolution and formation of the District was meant to be a mitigation for potential impacts to the downstream drainage facilities from the development of the 28 lots which encompass Loch Lomond #10 District. Maintaining drainage facilities within the Loch Lomond #10 boundary to include annual cleaning of drainage structures, monitoring structures during storm events, cleaning facilities as required during storm events. Provide a sinking fund to provide monies to replace facilities as those facilities fall into disrepair. Lastly provide a fund to provide \$500,000 plus accumulated interest to provide the deductible amount of the City's insurance should a landslide occur in the watershed above the District.

This report consists of six parts, as follows:

PART A – Plans and Specifications: These plans include the Improvement As-Built Plans prepared by Oberkamper and Associates and dated March 4, 1996. In addition the City asked CSW|ST2 to prepare a maintenance manual to guide the City Public Works staff in checking on the facilities that require annual and storm-related maintenance at a regular intervals. These items are filed with the City Clerk. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.

PART B - An Amended Estimated Cost of the Community Facilities District.

PART C - Assessment Roll - An assessment of the estimated cost of the improvement on each benefited parcel of land within the Community Facilities District.

PART D - Method of Apportionment of Assessment - A statement of the method by which the undersigned has determined the amount proposed to be assessed against each parcel.

PART E - List of Property Owners - A list of the names and addresses of the owners of real property within this Community Facilities District, as shown on the last equalized assessment roll for taxes, or as known to the Clerk. The list is keyed to Exhibit "C" by assessment number.

PART F - Assessment Diagram - A diagram showing all of the parcels of real property within this Community Facilities District. The diagram is keyed to Part "C" by assessment number.

Respectfully submitted,
CSW/Stuber-Stroeh Engineering Group, Inc.

By _____
Alan G. Cornwell, Engineer of Work

PART A

INTRODUCTION AND PURPOSE:

In 2017 the residents of Loch Lomond District 10 requested that the City review the expenditures and provide an accounting of the finances of the Community Facilities District No. 1992-1, also known as the Loch Lomond #10 (“LL 10”) District. The residents also requested that the City review the maintenance schedules which the City had provided on behalf of the District. Through research and discussion with City staff, the HOA Board, residents and CSW / ST2 staff, a clearer picture of the funding available in each of the three spending tranches identified in the formation documents (maintenance fund, sinking fund, and insurance reserve fund) has been identified. The funding to support the maintenance of the District is very limited and does not cover the annual cost to maintain and repair the system. Given the limited funding that the District generates, the finances of the District are insufficient to fund the level of service and repair of the infrastructure. Therefore, this report identifies the minimum work required to maintain the storm water system and fire/maintenance access roads within the district. The City intends to continue to use district funding to maintain the LL10 District and will use additional City storm water funding as it may be available to supplement the maintenance costs.

The City has actively and regularly maintained the system by performing pre-storm inspections and performing needed maintenance of the drainage facilities since the District was formed. Interviews with current maintenance staff verify that facilities within the LL10 District were maintained on an annual basis (pre-storm) and as needed before, during, and after storm events throughout each rainy season. In addition, since the District’s formation in 1993 there have been sporadic, as-needed repairs of the system (particularly the debris basins 2 and 3 above Las Casas) as a result of storm damage and/or silt and debris accumulation. In general the overall storm drain system has performed well given the fact that it has been in place for over 23 years. The condition of the overall system is evidence that the City has performed regular maintenance on the system. The regular maintenance notwithstanding, there have been a number of major storm events which have required repairs of facilities within the watershed, particularly the debris basins. In recent years the City has often had to clean debris and silt after, and in some cases during storm events to maintain the function of the two major basins above Las Casas Drive.

The District was formed, in part, to mitigate the impacts of the development on the surrounding community. This was extensively documented in the EIR documents, comments on the Draft EIR, and the subsequent approvals. The final conditional approval of Loch Lomond #10 required the District to be formed. The work required of the District was laid out in the three categories shown below. Preliminary estimates of maintenance cost were stated, as well as the contribution to the sinking fund.

The District was formed to provide financing for 3 specific items:

1. Annual and periodic Maintenance of the storm drain system and fire access/maintenance roads.
2. A Sinking Fund which provides long term capital replacement of the infrastructure.
3. A \$500,000 amount to reimburse the city in the event the City’s insurance was tapped and the City would be required to use the \$500,000 deductible to satisfy a claim.

COVERED FACILITIES:

The District was formed to provide a source of funding for ongoing maintenance and capital replacement of storm water improvements within the District and to provide funding for the

PART A

deductible portion of the City's insurance policy to cover potential damage from slides and rain events within the open space known as Parcel A. Parcel A is owned as open space by the 27 lots and three condominiums within the boundary of Loch Lomond #10 as well as to maintain the storm water systems integrated into the 28 parcels within the District. Note that one of the 28 lots (lot 9, specifically) has been further subdivided into three below market (BMR) units.

The Loch Lomond #10 area drains into two distinct drainage systems maintained by the City of San Rafael. The larger westerly watershed includes 10 lots and three BMR units mostly off the extension of Las Casas Drive. The second, eastern watershed is located above Manderly Road on the extension of Inverness Drive and includes the remaining 17 lots and drains to three culverts (two 18 inch and one 24 inch) which cross Manderly Road.

The westerly watershed is significantly larger and includes areas both inside the District as well as areas beyond the District boundary and owned by other private parties and the City of San Rafael as open space. The watershed is approximately 111.3 acres including private lots and City Open Space upstream and outside the District Boundary, and Loch Lomond #10 Open Space and the 11 lots within Loch Lomond #10. The easterly watershed includes approximately 21.2 acres all of which are within the District boundary.

Within the district there are approximately 2,855 feet of storm drain culverts, 762 feet of v-ditches, 27 catch basins, inlets and manholes, 2 outlet structures and 6 headwalls according to the Engineer's estimates provided with the subdivision improvements. The City typically maintains storm drain lines draining major watersheds, pipes, catch basins and manholes with the street or public rights-of-way, and catchment/debris basins. Within the Loch Lomond #10 District, the City also maintains the local v-ditches and swales and other smaller private drainage systems on private property as directed in the formation of the District.

MAINTENANCE COSTS

The maintenance costs of the District were estimated by Mr. Lloyd Strom in 1992 to be \$36,140 per year. City Council Resolution 8839 states that "except where other funds are otherwise available, a special tax sufficient to pay for such facilities and services, will be annually levied within CFD 1992-1", and City Council Resolution 8243 clearly states that "maintenance shall be funded by the Community Facilities District." However, the tax rate developed at the time the Community Facilities District was established does not cover the cost of the maintenance needs of the district. The anticipated maintenance included: Cleaning silt basins, maintaining access/fire roads, cleaning the storm drain system (pipes, boxes and v-ditches) and replacing debris fences.

In order to determine the appropriate levels of maintenance, we discussed the City's maintenance approach with staff. Based on that discussion, we have updated the recommended maintenance plan to include annual pre-season inspection and cleaning, observation of the drainage system, observation and cleaning as necessary for large storms during the season (we assumed two per year), a 15-year schedule to provide minor repairs to the main water course ditch and pipe systems, a 3-year schedule to remove brush and vegetation within the main open swales, a once-in-5-years access road maintenance schedule for 1,952 feet of roads, and three-year schedule for removal of accumulated silt in the catchment basins. It should be noted that small concrete v-ditches and minor swales elsewhere in the City are maintained by the individual property owner consistent with public works' policy. The anticipated annual maintenance for the District should be budgeted at \$37,512. The details of this budget are shown below.

PART A

Annual Pre-season inspection/cleaning storm drainages, ditches, catch basins, debris basins, etc.				
2 days per year	Rate	Hours per year	<i>Annual</i>	\$2,553
Lead Maintenance Worker	\$77.39	15	\$1,160.85	
Maintenance Worker I/II	\$72.79	15	\$1,091.85	
Truck + Misc Equipment	\$20.00	15	\$300.00	
Twice annual inspection during storm season				
1 day per year	Rate	Hours per year	<i>Annual</i>	\$1,276
Lead Maintenance Worker	\$77.39	7.5	\$580.43	
Maintenance Worker I/II	\$72.79	7.5	\$545.93	
Truck + Misc Equipment	\$20.00	7.5	\$150.00	
Contracted storm-season drainage maintenance support			<i>Annual</i>	\$7,000
Repairs to ditch and pipe system 3,620				
3,620 LF of pipe	\$20/LF for pipe	\$60,910	<i>15 year schedule</i>	\$4,061
	\$5/LF for V ditch			
Access road repair				
1,952 LF of road		\$23,073	<i>5 year schedule</i>	\$4,615
Brush and clean open swales				
1,400 LF of swales		\$21,596	<i>3 year schedule</i>	\$4,319
Remove silt (clamming operations)			<i>Annual</i>	\$7,688
Annual Engineer's Report			<i>Annual</i>	\$6,000
Total				<u><u>\$37,512</u></u>

STATUS AND ACTIVITIES

IMPROVEMENT PLANS LOCH LOMOND UNIT 10 PREPARED BY OBERKAMPER AND ASSOCIATES, AND “AS BUILTS,” DATED MARCH 4, 1996

Over the 27 years that the District has been in existence the City, on behalf of the District has maintained the system within the District as it would normally maintain the drainage systems throughout the Loch Lomond area and the City in general. Since the mid- 1990’s there has been little oversight of the District and for a number of years no annual engineers report was prepared. While the storm drain system continually required significant maintenance the City continued to take funds from the General Fund to perform normal and extraordinary maintenance and repairs. As City Administrations changed, the City realized that Community Facilities District did have funds available to contribute to the maintenance of the drainage facilities within the District. Around 2012 the City revisited the work done by the City on behalf of the District and transferred funds from the District into the general fund as a “catch-up” to compensate the City for providing over 10 years of maintenance and repairs without drawing on District funds.

Beginning in 2017, the Homeowners Association questioned the City on the disbursement of District funds and began to take a more active role in oversight of the District. The discussion

PART A

between the Homeowners and City are continuing. The discussion has pointed out how underfunded the District is and the necessity to increase the assessments to the maximum allowed under the defining resolution which established the District. The increases are covered in PART C of this annual report.

Additional Activities for the fiscal year 2019-2020: The City has implemented a more rigorous accounting of the labor and materials which it employs in maintaining the Drainage system within the boundaries of the Loch Lomond #10 District. The City will continue to work with the homeowners to identify what additional future repairs may be necessary and whether there are alternative methods to assist in funding those repairs.

Activities for 2020-2021 fiscal year

The status of the District for the 2020-2021 fiscal year was prepared by City staff. The activities can be found in the City Staff Report for the Council's consideration dated June 7, 2021 and attached hereto.

Status for the fiscal year 2021-2022

The City continues to provide maintenance services throughout the district to clean storm drains, manage open space vegetation and provide on-call storm related services to keep storm water collection systems open during the winter. During fiscal year 2021-2022 the City charged \$8,544.00 to the District for storm drain cleaning services. The City will be charging additional time during May and June at the request of the residents to provide additional vegetation management to close out the 2021-2022 fiscal year.

An overview of the three components of the District funds follows:

Self-Insurance Fund: Provides a fund balance of \$500,000 plus accumulated interest to cover the deductible amount of the City's insurance should a landslide occur in the watershed above the District. The balance in this fund is \$723,484.20 and no contributions are necessary at this time.

Sinking Fund: Provides for long term capital replacement of drainage infrastructure and facilities as the original may fall into disrepair. The balance in this fund is \$36,336.42. The District is allowed to collect a small portion of the overall annual assessment for this use. As shown in part D, the 2022-2023 contribution will be \$181.14 per parcel for an additional \$4,890.78 to add to the current balance. The balance in the fund should be \$41,227.20 less any amount paid to repair capital improvements which might occur in the 2022-2023 fiscal year.

Maintenance Fund: Provides for maintaining drainage facilities within the Loch Lomond 10 boundary to include annual cleaning of drainage structures, monitoring structures during storm events, and cleaning facilities as required during storm events. The District is allowed to collect increasing assessments for this use. As shown in part D, the 2022-2023 contribution will be \$867.32 per parcel for an additional \$23,417.64 to be available for the coming fiscal year.

As noted above, the City continues to provide maintenance for Loch Lomond District #10, recognizing the funds provided by the District are inadequate. While the current residents and Board have not expressed interest in increasing the contribution to the maintenance or sinking funds, the documents forming the District allowed for annual increase to be based on the Consumer Price Index or Personal Income Growth for maintenance and 2% annual increases for the sinking fund. For the 2019-20 season the District increased the assessments as shown in Part D.

PART B
ESTIMATE OF COSTS

The City prepared Reports for 2019-2020, 2020-2021, and 2021-2022

District Status May 20, 2022 (includes 2021-2022 interest)	
Total Estimated Fund Balance (per 2019 report)	<u>\$ 728,493.32</u>

Anticipated 2022-2023 Revenues and Fund Balance Allocations	
Anticipated Available Funds on July 1, 2020	<u>\$ 728,493.32</u>

Adjustment to match final amount	\$ 32,797.97	
Actual Available Funds on July 1, 2021		<u>\$ 761,291.29</u>

Assessment District Expenditures 2021-2022		
Assessor/Recorders Fee	\$ 90.00	
City provided services (July 2021 through April 2022)	\$ 8,544.00	
Vegetation Management May/June 2022 (estimated)	\$ 10,500.00	
County Administrative Fees	<u>\$ 54.00</u>	
	\$ 19,188.00	

Assessment District Proceeds 2021-2022	\$ 22,557.96	
Interest	\$ 0.00	
Estimated Available Funds on July 1, 2022		<u>\$ 764,661.25</u>

ESTIMATED ASSESSMENT DISTRICT EXPENSES 2022-2023

Uncollected Assessment 2022-2023 (2%)	\$ 566.16	
City Maintenance and Vegetation Management Services	\$ 8,500.00	
Sinking Fund to carry forward (from 2021 Staff Report)	\$ 36,336.42	
Self-Insurance Fund to carry forward (from 2021 Staff Report)	<u>\$ 723,484.20</u>	

Annual contribution to Sinking Fund	\$ 4,890.78	
Annual Engineer's Report	\$ 6,800.00	
Bond reduction estimate	\$ 7,929.69	
County Administration Fee	<u>\$ 120.00</u>	
	\$ 788,627.26	

Contingencies (Future Additional Capital Reserve and Maintenance)	\$ 4,342.41	
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Total Anticipated Expenses and Allocation June 30, 2022	\$ 792,969.67	
Total Anticipated Assessment Funding		\$ 28,308.42

Total ESTIMATED AVAILABLE FUNDS June 30, 2022	<u>\$ 792,969.67</u>
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*The City agreed to waive the Assessment for the District for the 2018-2019 fiscal year while the discussions were on-going with the homeowners and other residents.

** The District has carried a negative balance in the Maintenance Fund since 2012. The District Needs to be reimbursed by the General Fund to account for general funds expended on behalf of the District.

*** The City agreed to reimburse the Sinking Fund \$7,800 from the FY 2012-13 transfer of funds

PART B
ESTIMATE OF COSTS

from the District. \$7,800 of the funds drawn from the Sinking Fund were identified in fact as Maintenance Fund expenditures.

PART C
ASSESSMENT ROLL
(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2019-2020)	PROPERTY DESCRIPTION Loch Lomond #10 Assessment District	ASSESSOR'S PARCEL NUMBER
1	\$1,048.46	1	016-330-01
2	\$1,048.46	2	016-330-02
3	\$1,048.46	3	016-330-03
4	\$1,048.46	4	016-330-04
5	\$1,048.46	5	016-330-05
6	\$1,048.46	6	016-330-06
7	\$1,048.46	7	016-330-07
8	\$1,048.46	8	016-330-08
9-1	\$0.00	Portion of 9	016-330-12
9-2	\$0.00	Portion of 9	016-330-13
9-3	\$0.00	Portion of 9	016-330-14
10	\$1,048.46	10	016-330-10
11	\$1,048.46	11	016-330-11
12	\$1,048.46	12	016-321-04
13	\$1,048.46	13	016-321-03
14	\$1,048.46	14	016-321-05
15	\$1,048.46	15	016-321-01
16	\$1,048.46	16	016-321-02
17	\$1,048.46	17	016-321-06
18	\$1,048.46	18	016-321-07
19	\$1,048.46	19	016-321-08
20	\$1,048.46	20	016-321-09
21	\$1,048.46	21	016-321-10
22	\$1,048.46	22	016-322-01
23	\$1,048.46	23	016-322-02
24	\$1,048.46	24	016-322-03

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2019-2020)	PROPERTY DESCRIPTION Loch Lomond #10 Assessment District	ASSESSOR'S PARCEL NUMBER
25	\$1,048.46	25	016-322-04
26	\$1,048.46	26	016-322-05
27	\$1,048.46	27	016-322-06
28	\$1,048.46	28	016-322-07
29	\$0.00	Parcel A	186-520-19
30	\$0.00	Parcel B	186-520-20
TOTAL ASSESSMENT	\$28,308.42	(For Twenty-Eighth Year)	

Each parcel is as shown on the maps of the County Assessor of the County of Marin at Book 16, Pages 32 and 33 and Book 186, Page 52.

Property descriptions are lot or parcel numbers as shown on the recorded final maps of Loch Lomond #10, recorded in Book 21 of Maps at Page 21, Marin County Records.

PART D
METHOD OF APPORTIONMENT OF ASSESSMENT
AND ALLOWABLE INCREASES

ORIGINAL APPORTIONMENT

There are 27 single family dwelling units and 3 below market rate units that were a further tax division of lot 9 in the original subdivision existing within the Community Facilities District boundary.

Each of the single family dwelling unit lots are assessed for equal portions of the total assessment. And Lot 9 is assessed zero.

This assessment is exempt from the procedures and requirements of the (recently enacted Proposition 218) California Constitution, Article 13D, Section 4 pursuant to the exemption contained in Article 13D, Section 5(d) [*previously majority voter approval or*] Section 5(b) [*petition signed by persons owning all the property*]. The benefits are entirely special benefits and there are no general benefits. Additionally, the proposed assessment is within the limits of that allowed by the annual increases.

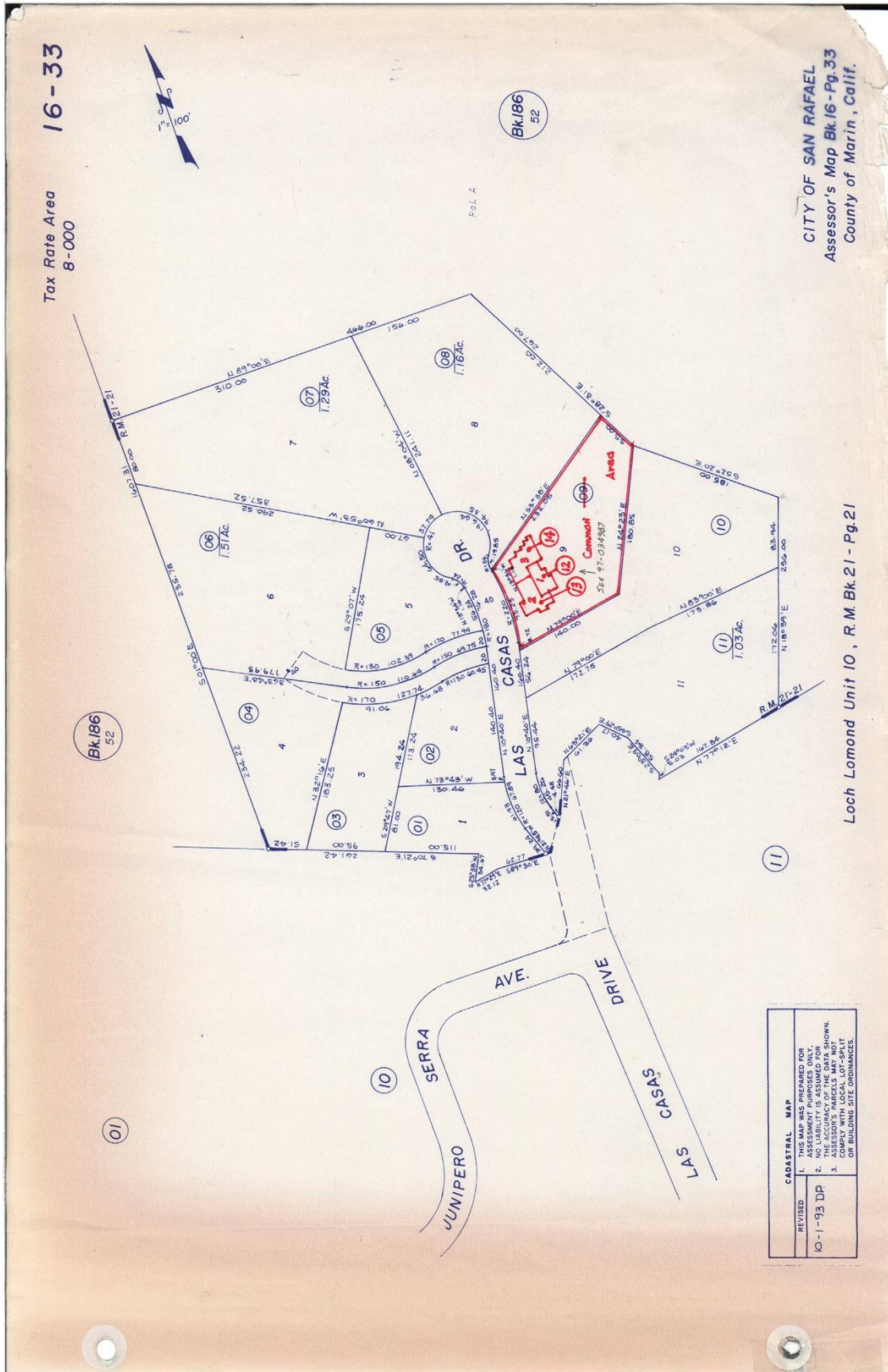
Assessment Parcels 1 through 8, 10 through 28, are each assessed 1/27 of the total assessment.

Assessment Parcel 9-1, 9-2, 9-3, 29, and 30 each have zero (\$0.00) assessment.

The following changes were made to the Assessment Rolls and Assessment Diagram in 1993, although do not appear to have been noted in the Annual Engineer's Reports. Mapping Changes at the Marin County Assessor's Office are noted as follows:

Our office contacted the Marin County Assessor's Office due to obvious changes to the Assessor's Parcel Maps for the Loch Lomond #10 development. According to information received from Mapping Department staff, in calendar year 1993 a change was made to Parcel 9 splitting it into 3 APNs to accommodate the special status of the ownership of that lot. (see map below)

PART D
METHOD OF APPORTIONMENT OF ASSESSMENT
AND ALLOWABLE INCREASES



PART D
METHOD OF APPORTIONMENT OF ASSESSMENT
AND ALLOWABLE INCREASES

2022-2023 ASSESSMENT CALCULATIONS

Applying the method outlined the following increases are allowed:

Maintenance:

Original Assessment	\$225/unit
Personal Income Index 1992	\$28,809
Personal Income Index 20120	\$111,050

Factor $\$111,050 / \$28,809 = 3.8547$

2022-2023 Maintenance Assessment $(3.85) \times \$225 =$ \$867.32

Sinking Fund:

Original Assessment	\$100/unit
28 years at 2%, current assessment	\$181.14

TOTAL PROPOSED ASSESSMENT 2019-2020 \$1,048.46 per unit

Total Available Funds (27 units) \$28,319.15

NOTE: Per Capita Personal Income Index from the St. Louis Fed for the San Francisco-Oakland-Hayward, California area. Latest index is for the 2020 year.

PART E
ASSESSMENT ROLL

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part E – Assessment Roll)

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
1	016-330-01	
2	016-330-02	
3	016-330-03	
4	016-330-04	
5	016-330-05	
6	016-330-06	
7	016-330-07	
8	016-330-08	
9-1	016-330-12	
9-2	016-330-13	
9-3	016-330-14	
10	016-330-10	


**PART E
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part E – Assessment Roll)

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
11	016-330-11	
12	016-321-04	
13	016-321-03	
14	016-321-05	
15	016-321-01	
16	016-321-02	
17	016-321-06	
18	016-321-07	
19	016-321-08	
20	016-321-09	
21	016-321-10	
22	016-322-01	

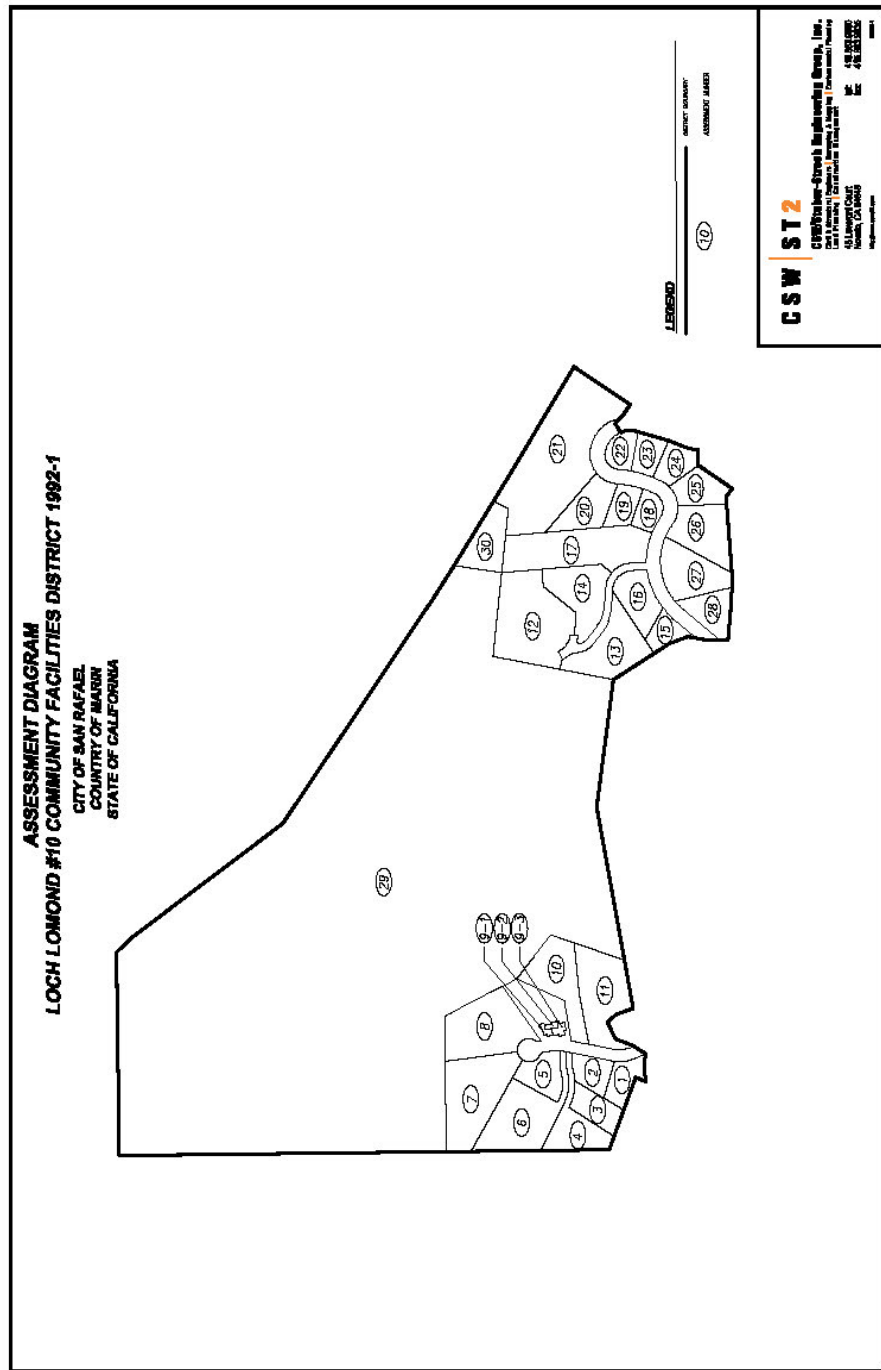
PART E
ASSESSMENT ROLL

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part E – Assessment Roll)

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
23	016-322-02	
24	016-322-03	
25	016-322-04	
26	016-322-05	
27	016-322-06	
28	016-322-07	
29	186-520-19	
30	186-520-20	

PART F ASSESSMENT DIAGRAM

The original Assessment Diagram is no longer available in the City's files. The following represents the current District Engineer's best re-creation of the Assessment Diagram likely used to form the District. It is based on the Record Map of Loch Lomond #10 prepared by Oberkamper & Associates Map Recorded May 27, 1993, in Book 21 of Maps, at Page 21 and the Assessment Diagram used for the Pt. San Pedro Road Median Landscaping Assessment District.



ASSESSMENT ROLL
(Please Refer to Part A – Method of Apportionment of Assessment
for a Summary of Changes to Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Loch Lomond #10 Assessment District	ASSESSOR'S PARCEL NUMBER
1	\$1048.46	1	016-330-01
2	\$1048.46	2	016-330-02
3	\$1048.46	3	016-330-03
4	\$1048.46	4	016-330-04
5	\$1048.46	5	016-330-05
6	\$1048.46	6	016-330-06
7	\$1048.46	7	016-330-07
8	\$1048.46	8	016-330-08
9-1	\$0.00	Portion of 9	016-330-12
9-2	\$0.00	Portion of 9	016-330-13
9-3	\$0.00	Portion of 9	016-330-14
10	\$1048.46	10	016-330-10
11	\$1048.46	11	016-330-11
12	\$1048.46	12	016-321-04
13	\$1048.46	13	016-321-03
14	\$1048.46	14	016-321-05
15	\$1048.46	15	016-321-01
16	\$1048.46	16	016-321-02
17	\$1048.46	17	016-321-06
18	\$1048.46	18	016-321-07
19	\$1048.46	19	016-321-08
20-1	\$1048.46	20	016-321-09
21	\$1048.46	21	016-321-10
22	\$1048.46	22	016-322-01
23	\$1048.46	23	016-322-02
24	\$1048.46	24	016-322-03

ASSESSMENT ROLL
 (Please Refer to Part A – Method of Apportionment of Assessment
 for a Summary of Changes to Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Loch Lomond #10 Assessment District	ASSESSOR'S PARCEL NUMBER
25	\$1048.46	25	016-322-04
26	\$1048.46	26	016-322-05
27	\$1048.46	27	016-322-06
28	\$1048.46	28	016-322-07
29	\$0.00	Parcel A	186-520-19
30	\$0.00	Parcel B	186-520-20
TOTAL ASSESSMENT	\$28,319.15	(For Twenty-Eighth Year)	

Each parcel is as shown on the maps of the County Assessor of the County of Marin at Book 16, Pages 32 and 33 and Book 186, Page 52.

Property descriptions are lot or parcel numbers as shown on the recorded final maps of Loch Lomond #10, recorded in Book 21 of Maps at Page 21, Marin County Records.

PART A
METHOD OF APPORTIONMENT OF ASSESSMENT
AND ALLOWABLE INCREASES

ORIGINAL APPORTIONMENT

There are 27 single family dwelling units and 3 below market rate units that were a further tax division of lot 9 in the original subdivision existing within the Community Facilities District boundary.

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Assessment Parcels 1 through 8, 10 through 28, are each assessed 1/27 of the total assessment.

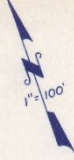
Assessment Parcel 9-1, 9-2, 9-3, 29, and 30 each have zero (\$0.00) assessment.

The following changes were made to the Assessment Rolls and Assessment Diagram in 1993, although do not appear to have been noted in the Annual Engineer's Reports. Mapping Changes at the Marin County Assessor's Office are noted as follows:

Our office contacted the Marin County Assessor's Office due to obvious changes to the Assessor's Parcel Maps for the Loch Lomond #10 development. According to information received from Mapping Department staff, in calendar year 1993 a change was made to Parcel 9 splitting it into 3 APNs to accommodate the special status of the ownership of that lot. (see map below)

PART A METHOD OF APPORTIONMENT OF ASSESSMENT AND ALLOWABLE INCREASES

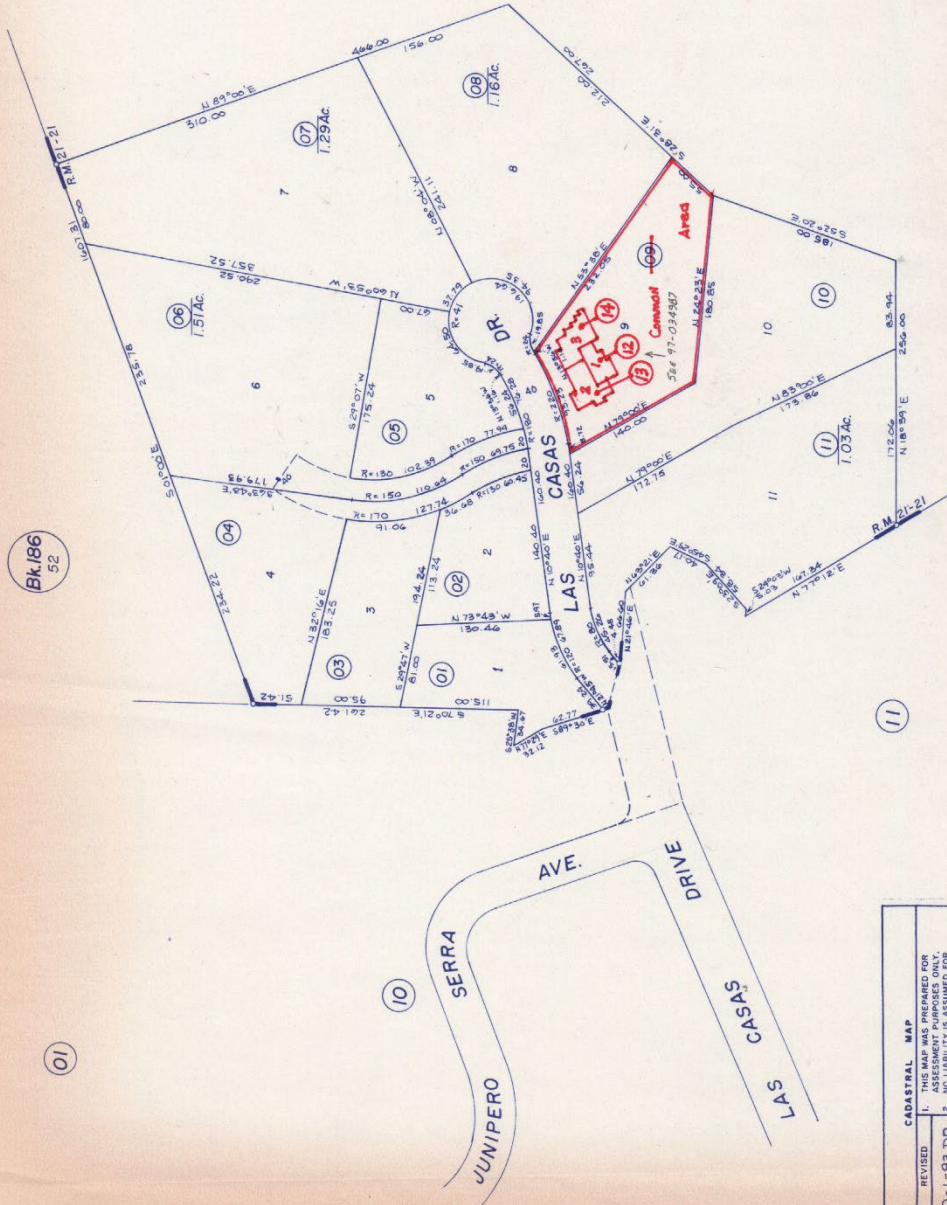
Tax Rate Area
8-000
16-33



Bk.186
52

Part A

CITY OF SAN RAFAEL
Assessor's Map Bk.16-Pg.33
County of Marin, Calif.



Bk.186
52

Loch Lomond Unit 10, R.M. Bk. 21 - Pg. 21

CADASTRAL MAP	
REVISED	10-1-93 DP
1. THIS MAP IS FOR INFORMATION ONLY. 2. NO LIABILITY IS ASSUMED FOR ASSESSMENT PURPOSES ONLY. 3. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.	

PART A
METHOD OF APPORTIONMENT OF ASSESSMENT
AND ALLOWABLE INCREASES

2022-2023 ASSESSMENT CALCULATIONS

Applying the method outlined the following increases are allowed:

Maintenance:

Original Assessment:	\$225/unit
Personal Income Index 1992:	\$22,644
Personal Income Index 2018:	\$62,586
Factor $\$62,586 / \$22,644 = 2.7369$	

2022-2023 Maintenance Assessment $(3.85) \times \$225 = \867.32

Sinking Fund:

Original Assessment	\$100/unit
28 years at 2%, current assessment	\$181.14

TOTAL PROPOSED ASSESSMENT 2022-23 \$1048.46 per unit

Total Available Funds (27 units) \$28,319.15

ASSESSMENT ROLL
(Please Refer to Part A – Method of Apportionment of Assessment
for a Summary of Changes to Assessment Roll)

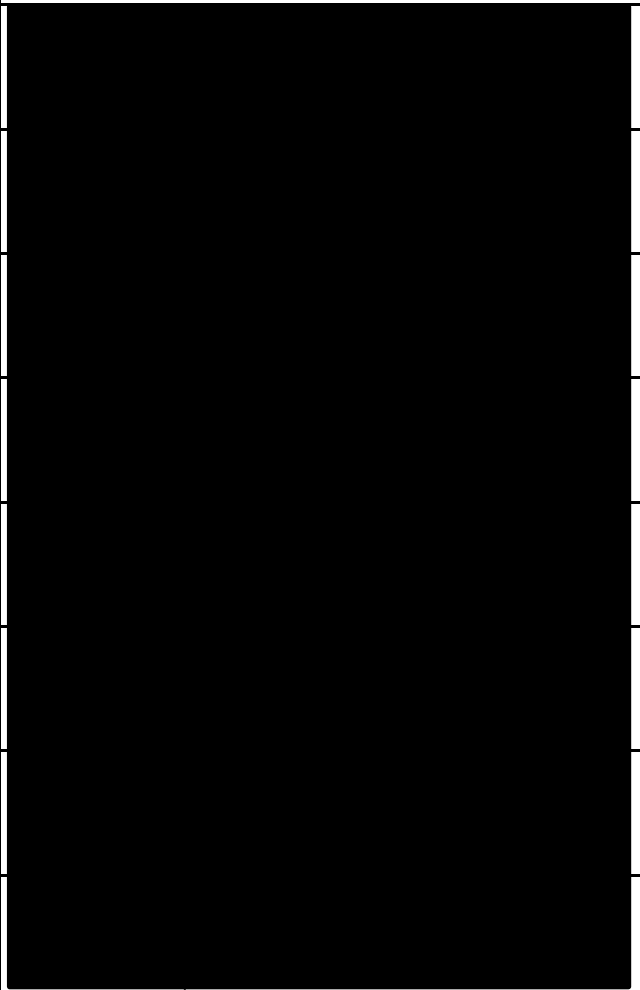
ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
1	016-330-01	
2	016-330-02	
3	016-330-03	
4	016-330-04	
5	016-330-05	
6	016-330-06	
7	016-330-07	
8	016-330-08	
9-1	016-330-12	
9-2	016-330-13	
9-3	016-330-14	
10	016-330-10	

ASSESSMENT ROLL
(Please Refer to Part A – Method of Apportionment of Assessment
for a Summary of Changes to Assessment Roll)

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
11	016-330-11	
12	016-321-04	
13	016-321-03	
14	016-321-05	
15	016-321-01	
16	016-321-02	
17	016-321-06	
18	016-321-07	
19	016-321-08	
20	016-321-09	
21	016-321-10	
22	016-322-01	

ASSESSMENT ROLL

(Please Refer to Part A – Method of Apportionment of Assessment
for a Summary of Changes to Assessment Roll)

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
23	016-322-02	
24	016-322-03	
25	016-322-04	
26	016-322-05	
27	016-322-06	
28	016-322-07	
29	186-520-19	
30	186-520-20	

PART B ASSESSMENT DIAGRAM

The original Assessment Diagram is no longer available in the City's files. The following represents the current District Engineer's best re-creation of the Assessment Diagram likely used to form the District. It is based on the Record Map of Loch Lomond #10 prepared by Oberkamper & Associates Map Recorded May 27, 1993, in Book 21 of Maps, at Page 21 and the Assessment Diagram used for the Pt. San Pedro Road Median Landscaping Assessment District.

