



Harris & AssociatesSM

SHAPING THE FUTURE ONE PROJECT AT A TIMESM

Final Engineer's Report

for

City of Santa Clarita Drainage Benefit Assessment Area (DBAA) Nos. 3, 6, 18, 19, 20, 22, 2008-1 and 2008-2

Fiscal Year 2009-10

For the

CITY OF SANTA CLARITA
Los Angeles County, California

June 09, 2009

ENGINEER'S REPORT Table of Contents

Certifications	1
Introduction	2
Report	3
Part A – Plans and Specifications	5
Part B – Estimate of Cost	8
Part C – Assessment Diagram	15
Part D – Assessment Roll	15
Part E – Method of Apportionment of Assessment	16

Appendices

A Assessment Boundary Diagrams

- Exhibit A – DBAA #3
- Exhibit B – DBAA #6
- Exhibit C – DBAA #18
- Exhibit D – DBAA #19
- Exhibit E – DBAA #20
- Exhibit F – DBAA #22
- Exhibit G – DBAA #2008-1
- Exhibit H – DBAA #2008-2

B Assessment Roll

ENGINEER'S REPORT

**CITY OF SANTA CLARITA
DRAINAGE BENEFIT ASSESSMENT AREA
(DBAA) NOS. 3, 6, 18, 19, 20, 22, 2008-1 AND 2008-2**

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

DATED: June 09, 2009



BY: Joan E. Cox
R.C.E. No. 41965

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached, was filed with me on the ____ day of _____, 2009.

Sharon L. Dawson, City Clerk,
City of Santa Clarita
Los Angeles County, California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Santa Clarita, California, on the ____ day of _____, 2009.

Sharon L. Dawson, City Clerk,
City of Santa Clarita
Los Angeles County, California

By _____

Introduction

This report is prepared in compliance with the requirements of Article 4, Chapter 6.4, of the Benefit Assessment Act of 1982, (hereinafter referred to as the “Act”) of the California Government Code.

Pursuant to the Act, the City Council is the legislative body for the District and may levy annual assessments and act as the governing body for the operations and administration of the District.

The Act provides for the levy of annual assessments after formation of an assessment district for the continued maintenance and servicing of the district improvements. The costs associated with the installation, maintenance, and service of the improvements may be assessed to those properties which are benefited by the installation, maintenance, and service.

Right To Vote on Taxes Act (Proposition 218)

On November 5 1996, the electorate approved Proposition 218, Right to Vote on Taxes Act, which added Articles XIIC and XIID to the California Constitution. The Proposition affects all assessments upon real property for a special benefit conferred on the property. Assessments imposed under the Benefit Assessment Act of 1982 are these types of assessments. However, the Proposition also exempts any assessments imposed to finance costs associated with drainage systems.

In Santa Clarita, required drainage systems due to development of land may require the property owner, as a condition of development approval, to annex into or form a Drainage Benefit Assessment Area (DBAA) to pay for their on going maintenance. As such, owners and subsequent owners of benefiting parcels are assessed annually. Drainage Benefit Assessment Area (DBAA) Nos. 3, 6, 18, 20, 22, 2008-1 and 2008-2 were formed in this way. The one exception to the above formation process is DBAA No. 19, whose formation was initiated by a group of existing homeowners in response to rising ground water in their immediate neighborhood.

Assessments for DBAA’s 3, 6, 18 and 19 are exempt from the provisions of Proposition 218. However, subsequent increases, if any, will be subject to the procedures and approval process of Section 4 of Article XIID.

DBAA’s 20, 22, 2008-1 and 2008-2 were established under the provisions of Proposition 218 and the maximum assessments may be increased by the annual change in CPI. If the annual assessment rates are increased above the maximum allowable assessment rates, then the increase will be subject to the procedures and approval process of Section 4 of Article XIID.

Assessments, if authorized by the City Council, would be placed on the 2009-10 Los Angeles County Property Tax Roll. Reserve funds would be used to fund the maintenance and service until assessment funds are distributed by the County Tax Collector in December of 2009.

CITY OF SANTA CLARITA
FISCAL YEAR 2009-10
ENGINEER'S REPORT
PREPARED PURSUANT TO THE PROVISIONS OF THE
BENEFIT ASSESSMENT ACT OF 1982
ARTICLE 4, CHAPTER 6.4
OF THE CALIFORNIA GOVERNMENT CODE

Pursuant to Part 1, Division 2 of Title 5 of the Government of the State of California, and in accordance with the Resolution of Initiation adopted by the City Council of the City of Santa Clarita State of California, in connection with the proceedings for:

CITY OF SANTA CLARITA
DRAINAGE BENEFIT ASSESSMENT AREA
(DBAA) NOS. 3, 6, 18, 19, 20, 22, 2008-1 AND 2008-2

Hereinafter referred to as the "Assessment District" or "District", I, Joan E. Cox, P.E., the authorized representative of Harris & Associates, the duly appointed ENGINEER OF WORK, submit herewith the "Report" consisting of six (6) parts as follows:

PART A
PLANS AND SPECIFICATIONS

Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Engineer and are incorporated herein by reference.

PART B
ESTIMATE OF COST

An estimate of the costs of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk and incorporated herein by reference.

PART C
ASSESSMENT DIAGRAM

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District and the lines and dimensions of each lot or parcel of land within the Assessment District.

The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Los Angeles for the fiscal year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

PART D ASSESSMENT ROLL

An assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District.

PART E METHOD OF ASSESSMENT

The method of apportionment of assessments, indicating the proposed assessment of the net amount of the costs and expenses of the improvements to be assessed upon the several lots and parcels of land within the Assessment District, in proportion to the estimated benefits to be received by such lots and parcels.

PART A Plans and Specifications

The proposed services involve the maintenance and operation of surface and subsurface drainage systems constructed for Tract No. 36496 (DBAA No. 3); Tract No. 43528 (DBAA No. 6); Tract No. 44965 (DBAA No. 18); the Four Oaks Area (DBAA No. 19); Tract Nos. 47863, 46626, and 50536 (DBAA No. 20); Tract Nos. 51857 and 52372 (DBAA No. 22), Tract Nos. 53425-02 and 53425-03 (DBAA No. 2008-1), and Tract 52414-01, lots 9 through 17 (DBAA No. 2008-2 GVR Commercial) as shown in Appendix A.

The services necessary for the Districts include, but are not limited to, and may be generally described as shown below:

- **DBAA No. 3: Whites Canyon Road and Nadal Street**

The drainage facilities consist of three observation wells without pumps and sixteen horizontal drains or hydraugers. The drainage facilities are shown on Exhibit A.

Maintenance and operation of the drainage facilities involve: 1) periodic inspection, monitoring, and evaluations; 2) well unclogging and clean-out where necessary; 3) annual geologist review with a report and recommendations; 4) installation of dewatering devices and other mitigation measures; and 5) periodic repairs, when necessary.

- **DBAA No. 6: Shangri-La Drive and Nathan Hill Road**

The drainage facilities consist of one pump station, three observation wells with pumps, six observation wells without pumps, one access shaft, and six hydraugers. The drainage facilities are shown on Exhibit B.

Maintenance and operation of the drainage facilities involve: 1) periodic inspection, monitoring, and evaluations; 2) well unclogging and clean-out where necessary; 3) annual geologist review with a report and recommendations; 4) installation of dewatering devices and other mitigation measures; 5) pump station check; and 6) periodic repairs, when necessary.

- **DBAA No. 18: Bakerton Street**

The drainage facilities consist of one pump station, one sump pump drainage system, five access shafts, and twenty-one observation wells without pumps. The drainage facilities are shown on Exhibit C.

Maintenance and operation of the drainage facilities involve: 1) periodic inspection, monitoring, and evaluations; 2) well and access shaft unclogging and clean-out where necessary; 3) annual geologist review with a report and recommendations; 4) installation of dewatering devices and other mitigation measures; 5) pump station check; and 6) periodic repairs, when necessary.

- **DBAA No. 19: Four Oaks east of Camp Plenty Road**

The drainage facilities consist of two pumps and two observation wells without pumps. The drainage facilities are shown on Exhibit D.

Maintenance and operation of the drainage facilities involve: 1) periodic inspection, monitoring, and evaluations; 2) well unclogging and clean-out where necessary; 3) installation of dewatering devices and other mitigation measures; 4) pump station check; and 5) periodic repairs, when necessary.

- **DBAA No. 20: Whites Canyon Road and Canyon Crest Drive**

The drainage facilities consist of terrace drains, swale drains, a 30-inch storm drain and two flumes, and related structures and appurtenant facilities. The boundaries of DBAA No. 20 are shown on Exhibit E.

Maintenance and operation of the drainage facilities involve: 1) periodic inspection, monitoring, and evaluations; 2) unclogging and clean-out where necessary; 3) annual geologist review with a report and recommendations; 4) installation of dewatering devices and other mitigation measures; and 5) periodic repairs, when necessary.

- **DBAA No. 22: Shadow Pines Boulevard and Narcissus Crest Avenue**

The drainage facilities consist of sub drains, terrace drains, parkway culverts, swale drains, down drains, inlet structures, flumes, stand pipes, debris walls, catch basins, and all storm drain and related structures and appurtenant facilities. The boundaries of DBAA No. 22 are shown on Exhibit F.

Maintenance and operation of the drainage facilities involve: 1) periodic inspection, monitoring, and evaluations; 2) unclogging and clean-out where necessary; 3) annual geologist review with a report and recommendations; 4) installation of dewatering devices and other mitigation measures; and 5) periodic repairs, when necessary.

- **DBAA No. 2008-1: River Village**

The drainage facilities consist of two (2) water quality basins (extended detention basins). The boundaries of DBAA No. 2008-1 are shown on Exhibit G.

The basins treat runoff from the portions of the River Village development. The water quality basins are extended dry detention basins with subsurface flow wetland that is vegetated and landscaped with native vegetation. Extended detention basins are basins whose outlets have been designed to detain the Stormwater runoff from a water quality design storm for some minimum time (e.g. 48 hours) to allow particles and associated pollutants to settle. Additionally, the basins have been designed to reduce the 2-year peak flow from the post-development condition to the pre-development condition. The difference in the pre-and post-development Stormwater runoff generated by a 2-year storm, and by a 0.75-inch (first flush) storm, will be collected, detained, and treated in the basins, before it is released into the Santa Clara River. Regular maintenance is

required in order for the basins to function correctly within the design parameters.

Maintenance and operation of the drainage facilities involve but are not limited to: 1) silt/debris removal; 2) landscaping replacement; 3) replacement of piping and gravel media as needed; 4) storm damage repair; and 5) annual review with a report and recommendations.

- **DBAA No. 2008-2: Golden Valley Ranch – Commercial**

The proposed services involve the maintenance and operation of Storm Drain Line “D” in Tract 52414-01 and all lateral lines associated with Line “D”, including the CDS units. Storm Drain Line “D” drains portions of the Golden Valley Ranch Commercial development and is the only storm drain line that is not being accepted into the Los Angeles County Flood Control District’s system. Regular maintenance is required in order for the storm drain line and lateral lines to function correctly within the design parameters.

The services necessary for the District include, but are not limited to, and may be generally described as: 1) maintenance costs, 2) reporting and consulting, 3) monitoring, and 4) annual review with a report and recommendations.

Plans and Specifications for the improvements for the District are voluminous and are not bound in this report, but by this reference are incorporated and made a part of this report. The plans and specifications are on file at the City where they are available for public inspection.

PART B Estimate of Cost

The Act provides that the estimated costs of the improvements shall include the total cost of the improvements for Fiscal Year 2009-10, including incidentals, which may include reserves to operate the District until funds are transferred to the City from the County around December 10 of the next fiscal year.

The Act also provides that the amount of any surplus, deficit or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within each district is the total cost of maintenance and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

Estimated costs of improvements for the Districts are voluminous and are not bound in this report, but by this reference are incorporated and made a part of this report. The estimated costs are on file at the City where they are available for public inspection.

Drainage Area Assessment District (DBAA) No. 3

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$28,413.00
Interest / Other Revenues	\$6,240.00
Total Revenues	\$34,653.00
Expenditures	
Personnel Costs	\$5,635.00
Operations and Maintenance Costs	\$13,888.00
Administration	\$11,600.00
Total Expenditures	\$31,123.00
Capital Improvements	
Total Capital Improvements	\$0.00
Total Annual Fund Status - Surplus / (Deficit)	\$3,530.00

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$377,208.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$34,653.00
Estimated Expenditures FY 09-10	\$31,123.00
Estimated Operating Reserves (50% of Operating Costs)	\$15,562.00
Estimated Fund Balance (6/30/10)	\$365,176.00

A Future/Reserve fund has been established for DBAA No. 3 to cover the first six months of expenses annually before collection from the County has been received, as well as unexpected expenses. The funds have been allowed to build up gradually in anticipation of any maintenance costs that can and do occur when there is a great amount of rainfall during the year.

Drainage Area Assessment District (DBAA) No. 6

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$26,553.00
Interest / Other Revenues	\$0.00
Total Revenues	\$26,553.00
Expenditures	
Personnel Costs	\$5,635.00
Operations and Maintenance Costs	\$88,941.00
Administration	\$10,570.00
Total Expenditures	\$105,146.00
Capital Improvements	
Total Capital Improvements	\$31,790.00
Total Annual Fund Status - Surplus / (Deficit)	(\$110,383.00)

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$0.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$26,553.00
Estimated Expenditures FY 09-10	\$136,936.00
Estimated Operating Reserves (50% of Operating Costs)	\$52,573.00
City Contribution	\$162,956.00
Estimated Fund Balance (6/30/10)	\$0.00

A Future/Reserve fund has been established for DBAA No. 6; however, those funds have now been depleted and the fund is operating in a deficit, requiring a City Contribution to maintain the required levels of on-going maintenance. Operations and capital costs for this year are increased to meet water quality requirements of the Los Angeles Regional Water Quality Control Board.

Drainage Area Assessment District (DBAA) No. 18

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$44,361.00
Interest / Other Revenues	\$0.00
Total Revenues	\$44,361.00
Expenditures	
Personnel Costs	\$5,635.00
Operations and Maintenance Costs	\$251,785.00
Administration	\$18,340.00
Total Expenditures	\$275,760.00
Capital Improvements	
Total Capital Improvements	\$107,800.00
Total Annual Fund Status - Surplus / (Deficit)	(\$339,199.00)

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$0.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$44,361.00
Estimated Expenditures FY 09-10	\$383,560.00
Estimated Operating Reserves (50% of Operating Costs)	\$137,880.00
City Contribution	\$477,079.00
Estimated Fund Balance (6/30/10)	\$0.00

A Future/Reserve fund has been established for DBAA No. 18; however, those funds have now been depleted and the fund is operating in a deficit, requiring a City Contribution to maintain the required levels of on-going maintenance. Operations and capital costs for this year are increased to meet water quality requirements of the Los Angeles Regional Water Quality Control Board.

Drainage Area Assessment District (DBAA) No. 19

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$3,306.00
Interest / Other Revenues	\$3,420.00
Total Revenues	\$6,726.00
Expenditures	
Personnel Costs	\$4,333.00
Operations and Maintenance Costs	\$28,669.00
Administration	\$1,360.00
Total Expenditures	\$34,362.00
Capital Improvements	
Total Capital Improvements	\$0.00
Total Annual Fund Status - Surplus / (Deficit)	(\$27,636.00)

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$0.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$6,726.00
Estimated Expenditures FY 09-10	\$34,362.00
Estimated Operating Reserves (50% of Operating Costs)	\$17,181.00
City Contribution	\$44,817.00
Estimated Fund Balance (6/30/10)	\$0.00

A Future/Reserve fund has been established for DBAA No. 19; however, those funds have now been depleted and the fund is operating in a deficit, requiring a City Contribution to maintain the required levels of on-going maintenance.

Drainage Area Assessment District (DBAA) No. 20

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$30,963.00
Interest / Other Revenues	\$3,120.00
Total Revenues	\$34,083.00
Expenditures	
Personnel Costs	\$0.00
Operations and Maintenance Costs	\$20,110.00
Administration	\$10,430.00
Total Expenditures	\$30,540.00
Capital Improvements	
Total Capital Improvements	\$0.00
Total Annual Fund Status - Surplus / (Deficit)	\$3,543.00

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$182,588.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$34,083.00
Estimated Expenditures FY 09-10	\$30,540.00
Estimated Operating Reserves (50% of Operating Costs)	\$15,270.00
Estimated Fund Balance (6/30/10)	\$170,861.00

A Future/Reserve fund has been established for DBAA No. 20 to cover the first six months of expenses annually before collection from the County has been received, as well as unexpected expenses. The funds have been allowed to build up gradually in anticipation of any maintenance costs that can and do occur when there is a great amount of rainfall during the year.

Drainage Area Assessment District (DBAA) No. 22

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$10,791.00
Interest / Other Revenues	\$480.00
Total Revenues	\$11,271.00
Expenditures	
Personnel Costs	\$0.00
Operations and Maintenance Costs	\$5,675.00
Administration	\$3,620.00
Total Expenditures	\$9,295.00
Capital Improvements	
Total Capital Improvements	\$0.00
Total Annual Fund Status - Surplus / (Deficit)	\$1,976.00

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$26,816.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$11,271.00
Estimated Expenditures FY 09-10	\$9,295.00
Estimated Operating Reserves (50% of Operating Costs)	\$4,648.00
Estimated Fund Balance (6/30/10)	\$24,144.00

A Future/Reserve fund has been established for DBAA No. 22 to cover the first six months of expenses annually before collection from the County has been received, as well as unexpected expenses. The funds have been allowed to build up gradually in anticipation of any maintenance costs that can and do occur when there is a great amount of rainfall during the year.

Drainage Area Assessment District (DBAA) No. 2008-1

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$93,005.00
Interest / Other Revenues	\$1,440.00
Total Revenues	\$94,445.00
Expenditures	
Personnel Costs	\$0.00
Operations and Maintenance Costs	\$8,900.00
Administration	\$210.00
Total Expenditures	\$9,110.00
Capital Improvements	
Total Capital Improvements	\$0.00
Total Annual Fund Status - Surplus / (Deficit)	\$85,335.00

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$38,551.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$94,445.00
Estimated Expenditures FY 09-10	\$9,110.00
Estimated Operating Reserves (50% of Operating Costs)	\$4,555.00
Estimated Fund Balance (6/30/10)	\$119,331.00

A Future/Reserve fund has been established for DBAA No. 2008-1 to cover the first six months of expenses annually before collection from the County has been received, as well as unexpected expenses. The funds have been allowed to build up gradually in anticipation of any maintenance costs that can and do occur when there is a great amount of rainfall during the year.

Drainage Area Assessment District (DBAA) No. 2008-2

Description	2009/10 Cost Estimate
Revenues	
Assessment Revenues	\$13,188.00
Interest / Other Revenues	\$720.00
Total Revenues	\$13,908.00
Expenditures	
Personnel Costs	\$3,000.00
Operations and Maintenance Costs	\$9,790.00
Administration	\$210.00
Total Expenditures	\$13,000.00
Capital Improvements	
Total Capital Improvements	\$0.00
Total Annual Fund Status - Surplus / (Deficit)	\$908.00

Fund Analysis	
Estimated Fund Balance (7/01/09)	\$20,207.00
Estimated Revenues FY 09-10 (Assessments / Interest)	\$13,908.00
Estimated Expenditures FY 09-10	\$13,000.00
Estimated Operating Reserves (50% of Operating Costs)	\$6,500.00
Estimated Fund Balance (6/30/10)	\$14,615.00

A Future/Reserve fund is being established for DBAA No. 2008-2 to cover the first six months of expenses annually before collection from the County has been received, as well as unexpected expenses. The funds will be allowed to build up gradually in anticipation of any maintenance costs that can and do occur when there is a great amount of rainfall during the year.

PART C

Assessment Diagram

The boundary diagram for each Drainage Benefit Assessment Area is included herein as Appendix A, and is part of this report.

The lines and dimensions of each lot or parcel within the Districts are those lines and dimensions shown on the maps of the Assessor of the County of Los Angeles for the fiscal year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

PART D

Assessment Roll

All assessed lots or parcels of real property within the Districts are listed on the Assessment Roll. The Assessment Roll states the net amount to be assessed upon assessable lands within the Districts for Fiscal Year 2009-10, shows the Fiscal Year 2009-10 assessment upon each lot and parcel within the Districts, and describes each assessable lot or parcel of land within the Districts. These lots are more particularly described in the Assessment Roll, which is included in this Report as Appendix B. The list is keyed to the records of the Assessor of the County of Los Angeles which are incorporated herein by reference.

PART E

Method of Assessment

The following is the approved assessment methodologies for the Drainage Benefit Assessment Area Nos. 3, 6, 18, 19, 20, 22, 2008-1 and 2008-2:

Background

The Benefit Assessment Act of 1982 (the Act) provides that assessments may be apportioned upon all assessable lots or parcels of land within an assessment district in proportion to the estimated benefits to be received by each lot or parcel from the improvements. In addition, Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Proposition provides that only special benefits are assessable, and the City must separate the general benefits from the special benefits conferred on a parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the Districts. The general enhancement of property value does not constitute a special benefit.

Special Benefit

DBAA Nos. 3, 6, 18, 19, 20, 22 and 2008-1

The installation and continued maintenance of drainage improvements by the developers, subdividers of the land, was guaranteed through the establishment of a Drainage Benefit Assessment Area as a condition of subdivision and development. Had the installation of the improvements and the guaranteed maintenance not occurred, the lots would not have been established and could not have been sold to any distinct and separate owner. Thus, the ability to establish each distinct and separate lot which permits the construction of a building or structure on the property and the ownership and sale of the distinct lot in perpetuity is a particular and distinct special benefit conferred only to the real property located in the District.

All the lots are established at the same time once the conditions regarding the improvements and the continued maintenance are guaranteed. As a result, each lot within the District is conferred a particular and distinct special benefit from the improvements and to the same degree. DBAA No. 3 is a multi-family residential development and is assessed based on the number of dwelling units within the development. DBAA Nos. 6, 18, 19, 20, 22 and 2008-1 are single-family residential developments and each developable lot is one dwelling unit, so these developments are assessed based on the number of dwelling units within them.

The drainage improvements of the district were established to provide for surface and/or subsurface water removal in order to promote and maintain desirable soil conditions, soil stability and/or slope stability of, and specifically related to, the subdivided lots within the district; thus, the drainage improvements, and the continued maintenance thereof, confer a particular and distinct special benefit to the real property located within the district.

In addition, all of the above contributes to a specific increase in property desirability and a specific enhancement of the property value of each parcel within the district which confers a particular and distinct special benefit upon the real property located within the district.

DBAA No. 2008-2

There are two (2) categories of special benefits identified for DBAA 2008-2:

1. The benefit related to the satisfaction of a Condition of Development, and
2. The benefit related to the functionality of the drainage system.

1. Satisfaction of Conditions of Development

The drainage improvements for the commercial portion of the Golden Valley Ranch development were installed by the developers, subdividers of the land. A condition of approval of the commercial development was the guarantee of on-going maintenance for the drainage system (Condition of Approval EN53). Most of the drainage improvements are acceptable to the Los Angeles County Flood Control District (LACFCD) and will be accepted into the County system for maintenance, and Lots 1 through 14 of Tract No. 52414-01 have satisfied this condition.

Storm Drain Line “D” is not acceptable to LACFCD and will not be accepted into their system. Therefore, for Lots 14, 15 and 16 to satisfy Condition of Approval EN53, the continued maintenance of Storm Drain Line “D” must be guaranteed through the establishment of a Drainage Benefit Assessment Area (DBAA) or some other form of guaranteed financing. Should the guaranteed maintenance not occur, the Condition of Approval for the development of these lots would not be satisfied and the lots would not be able to have Building Permits finalized or Certificates of Occupancy issued. Thus, the ability to develop these lots to construct a building or structure on the property is a particular and distinct special benefit conferred only to Lots 15, 16 and 17.

Therefore, due to the satisfaction of Condition EN53, Lots 15, 16 and 17 are uniquely benefited by, and receive a direct advantage from, the guaranteed funding of maintenance for Storm Drain Line “D” improvements and are conferred a particular and distinct special benefit over and above general benefits.

2. Functionality of the Drainage System

The southerly portion of the Golden Valley Ranch Commercial development is comprised of Lots 9 through 17 and is identified as the South Plaza area. These lots all function as a cohesive shopping plaza and are connected to each other through driving lanes and parking lots. Storm Drain Line “D” serves the area drains in the southerly quadrant of this plaza, including a portion of the truck delivery path of travel for this entire plaza.

Because of this interconnectivity between portions of the South Plaza area, the proper maintenance and functioning of Storm Drain Line “D” provides a particular and distinct special benefit to all the properties in the South Plaza by allowing traffic to flow unimpeded by poor drainage.

Therefore, Lots 9 through 17 are uniquely benefited by, and receive a direct advantage from, the proper functioning and maintenance of Storm Drain Line “D” improvements and are conferred a particular and distinct special benefit over and above general benefits.

General Benefit

The drainage facilities are located within and/or immediately adjacent to properties within the Districts, and were installed and are maintained particularly and solely to serve, and for the benefit of, the properties within the Districts. Any benefit received by properties outside of the Districts is inadvertent and unintentional. Therefore, any general benefits associated with the drainage facilities of the District are merely incidental, negligible and non-quantifiable.

Apportionment

In DBAA Nos. 3, 6, 18, 19, 20, 22 and 2008-1, all the parcels in the District receive the same special benefit from the improvements due to their use and similar proximity to the improvements. Therefore, each parcel is assessed an equal amount. Or in the case of undeveloped parcels, these parcels are assessed for their proportionate share based on the number of proposed units to be built on that parcel.

In DBAA 2008-2, the estimated costs are apportioned equally to each of the two categories of special benefit. All parcels receive the same degree of special benefit within each benefit category due to the similar (commercial) use of each parcel. Therefore, each parcel is assessed based on the proportionate gross acreage of each Assessor’s parcel as a share of the total acres within each benefit category.

Annual Escalators

DBAA Nos. 20, 22, 2008-1 and 2008-2 were established with an annual assessment escalation clause, should the city choose to use it. The maximum assessment rate will increase based on the annual change in the Consumer Price Index (CPI), during the preceding year, for All Urban Consumers, for the Los Angeles, Riverside and Orange County areas, published by the United States Department of Labor, Bureau of Labor Statistics (or a reasonably equivalent index should the stated index be discontinued). This year, the annual change in CPI is 0%, so the City is not proposing any escalated increase.

DBAA Nos. 3, 6, 18, and 19 were established without escalators.

Assessment Rates

DBAA No.	FY 2008-09 Max. Asmt Rate	CPI Increase	FY 2009-10 Max Asmt	No. of Units/Ac's	FY 2009-10 Actual Asmt	FY 2009-10 Asmt Revenues
#3	\$122.47 / Unit	-	\$122.47 / Unit	232	\$122.47 / Unit	\$28,413.04
#6	\$159.00 / Unit	-	\$159.00 / Unit	167	\$159.00 / Unit	\$26,553.00
#18	\$159.00 / Unit	-	\$159.00 / Unit	279	\$159.00 / Unit	\$44,361.00
#19	\$19.00 / Unit	-	\$19.00 / Unit	174	\$19.00 / Unit	\$3,306.00
#20	\$110.19 / Unit	\$0.00 / Unit	\$110.19 / Unit	281	\$110.19 / Unit	\$30,963.39
#22	\$269.77 / Unit	\$0.00 / Unit	\$269.77 / Unit	40	\$269.77 / Unit	\$10,790.80
#2008-1	\$215.29 / Unit	\$0.00 / Unit	\$215.29 / Unit	432	\$215.29 / Unit	\$93,005.28
#2008-2 (Conditioned)	\$1,356.74 / Acres	\$0.00 / Unit	\$1,356.74 / Acres	9.72	\$678.37 / Acres	\$6,593.75
#2008-2 (South Plaza)	\$398.30 / Acres	\$0.00 / Unit	\$398.30 / Acres	33.11	\$199.15 / Acres	\$6,593.75

Feb '08 to Feb '09 CPI: 0.0%

APPENDIX A

District Boundary Diagrams

Exhibit A – DBAA #3

Exhibit B – DBAA #6

Exhibit C – DBAA #18

Exhibit D – DBAA #19

Exhibit E – DBAA #20

Exhibit F – DBAA #22

Exhibit G – DBAA #2008-1

Exhibit H – DBAA #2008-2

Exhibit A – DBAA No. 3

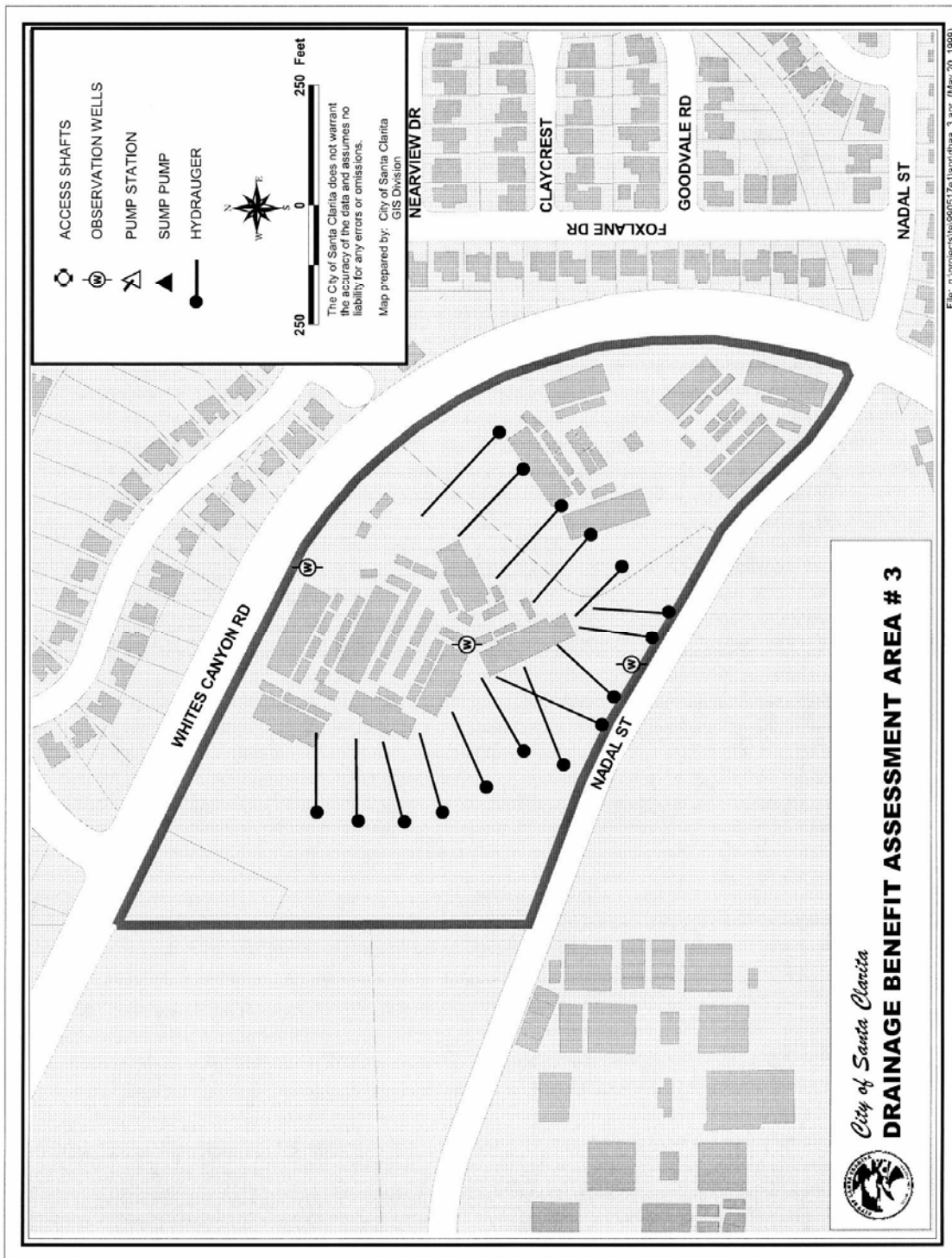


Exhibit B – DBAA No. 6

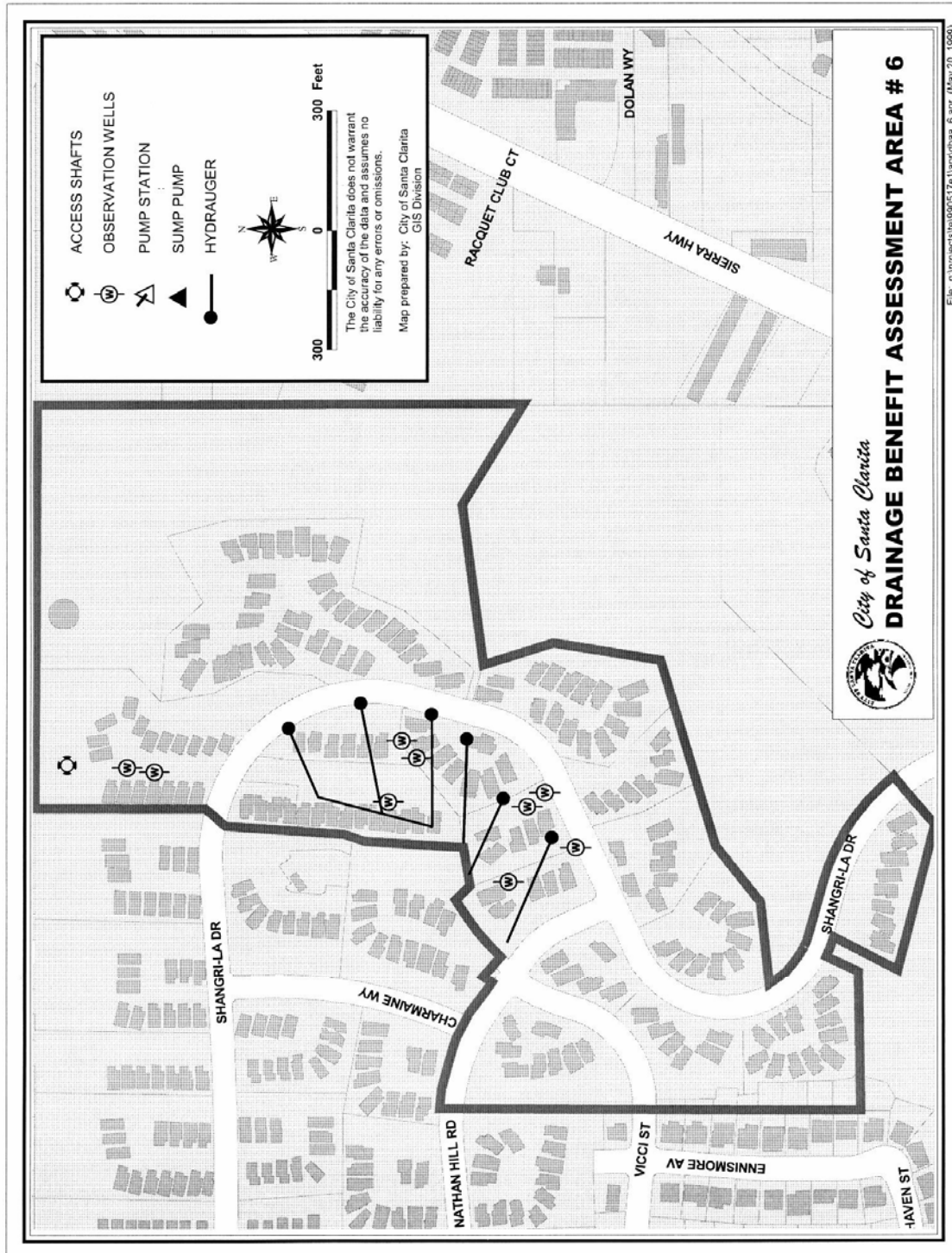


Exhibit C – DBAA No. 18

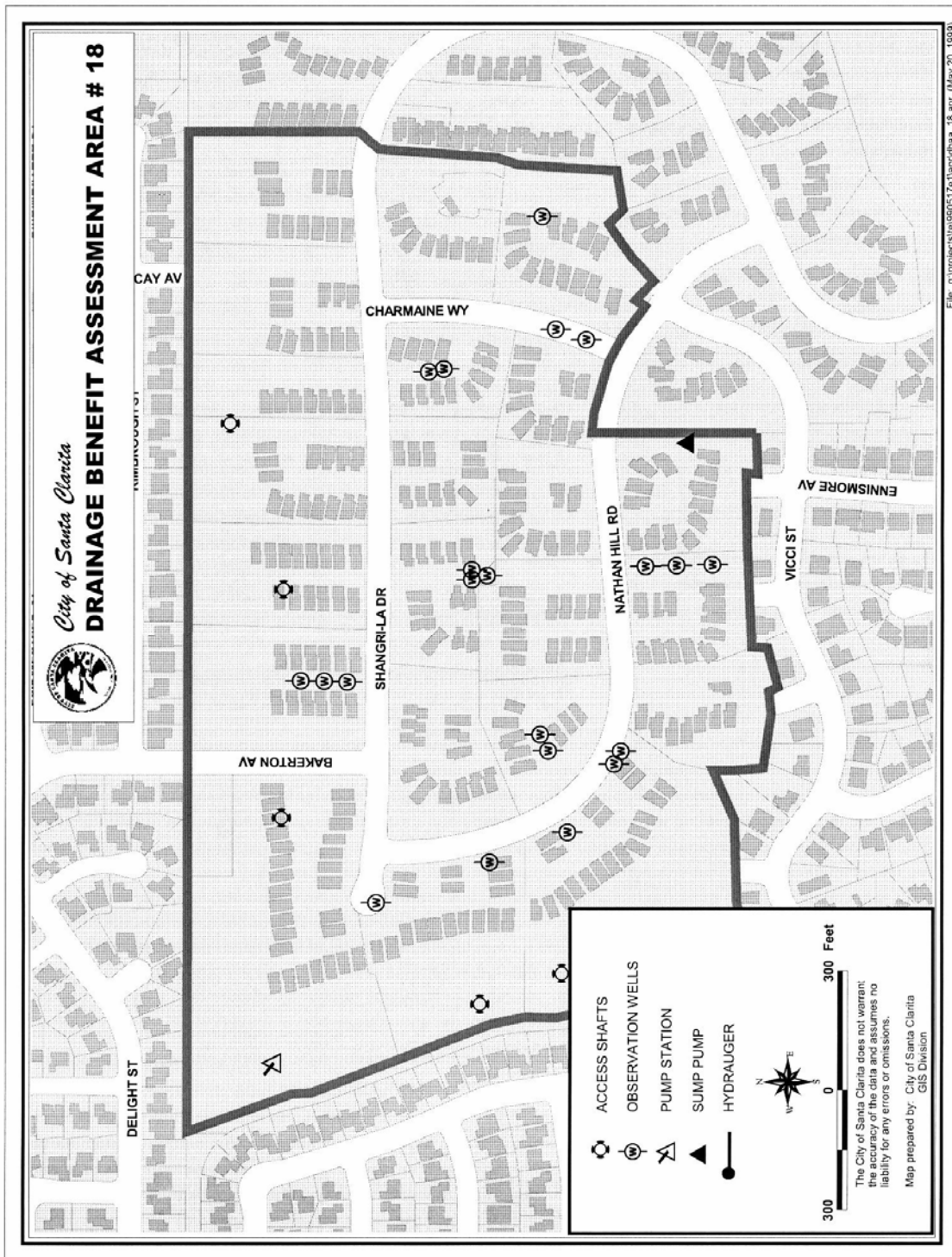


Exhibit D – DBAA No. 19

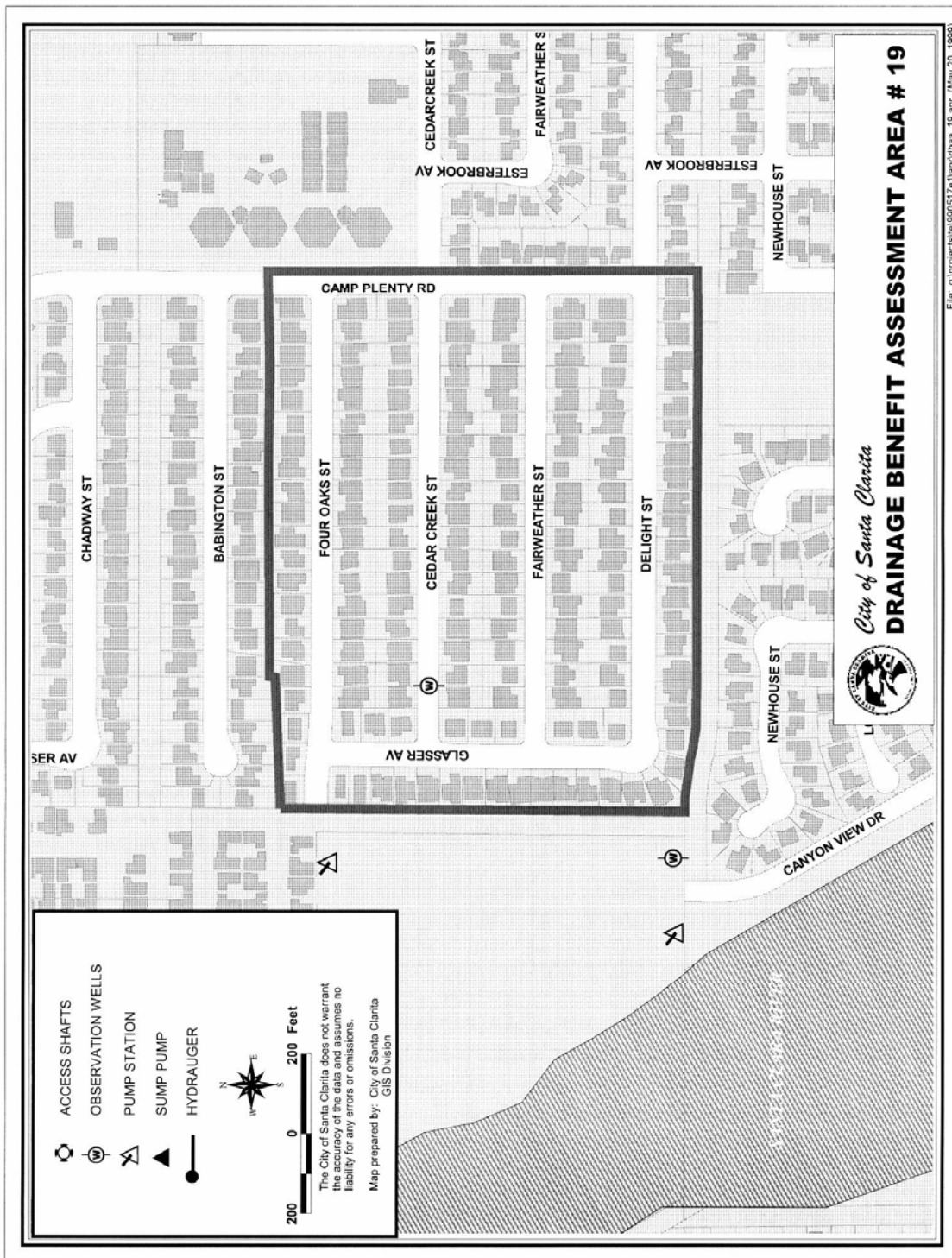


Exhibit E – DBAA No. 20

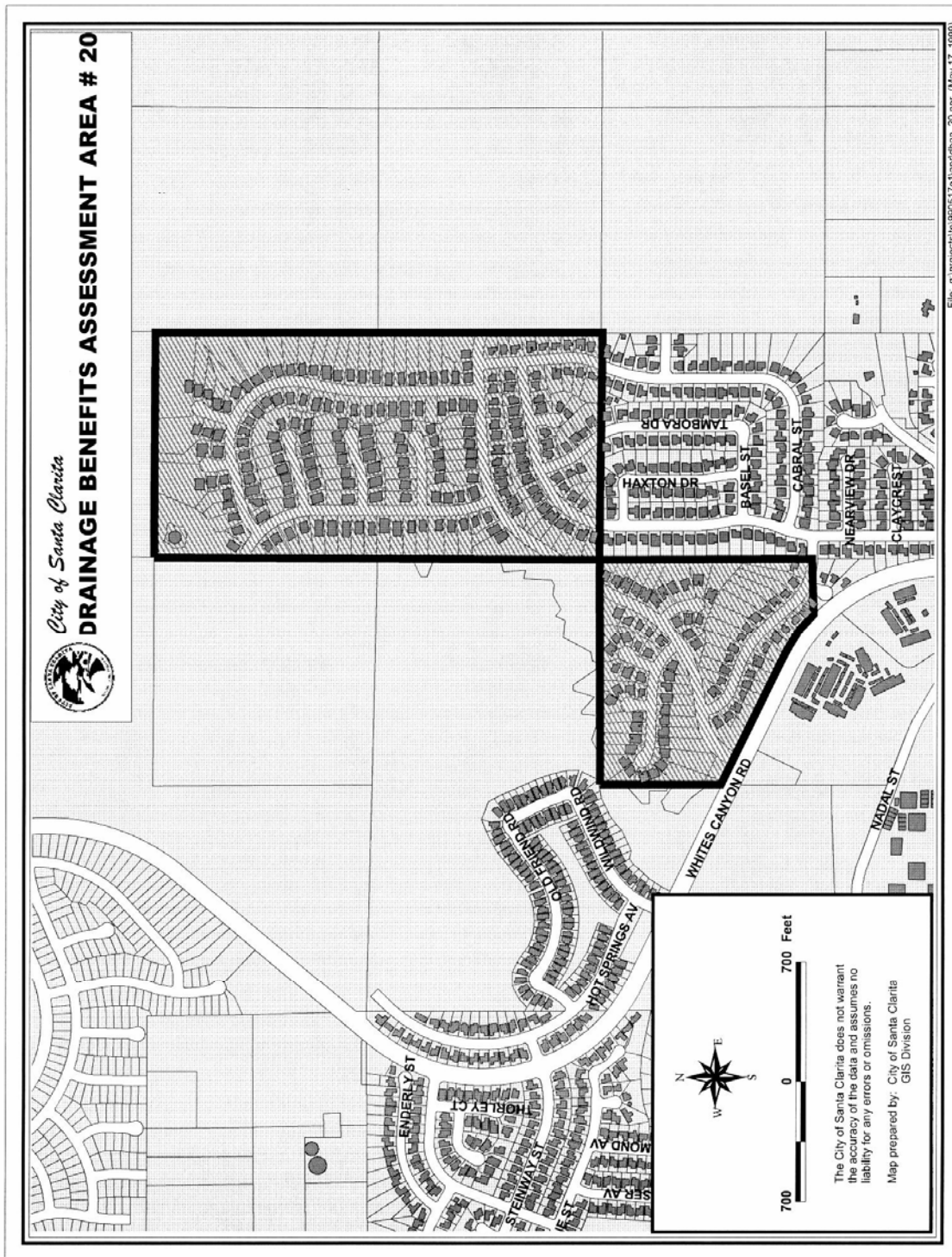


Exhibit F – DBAA No. 22

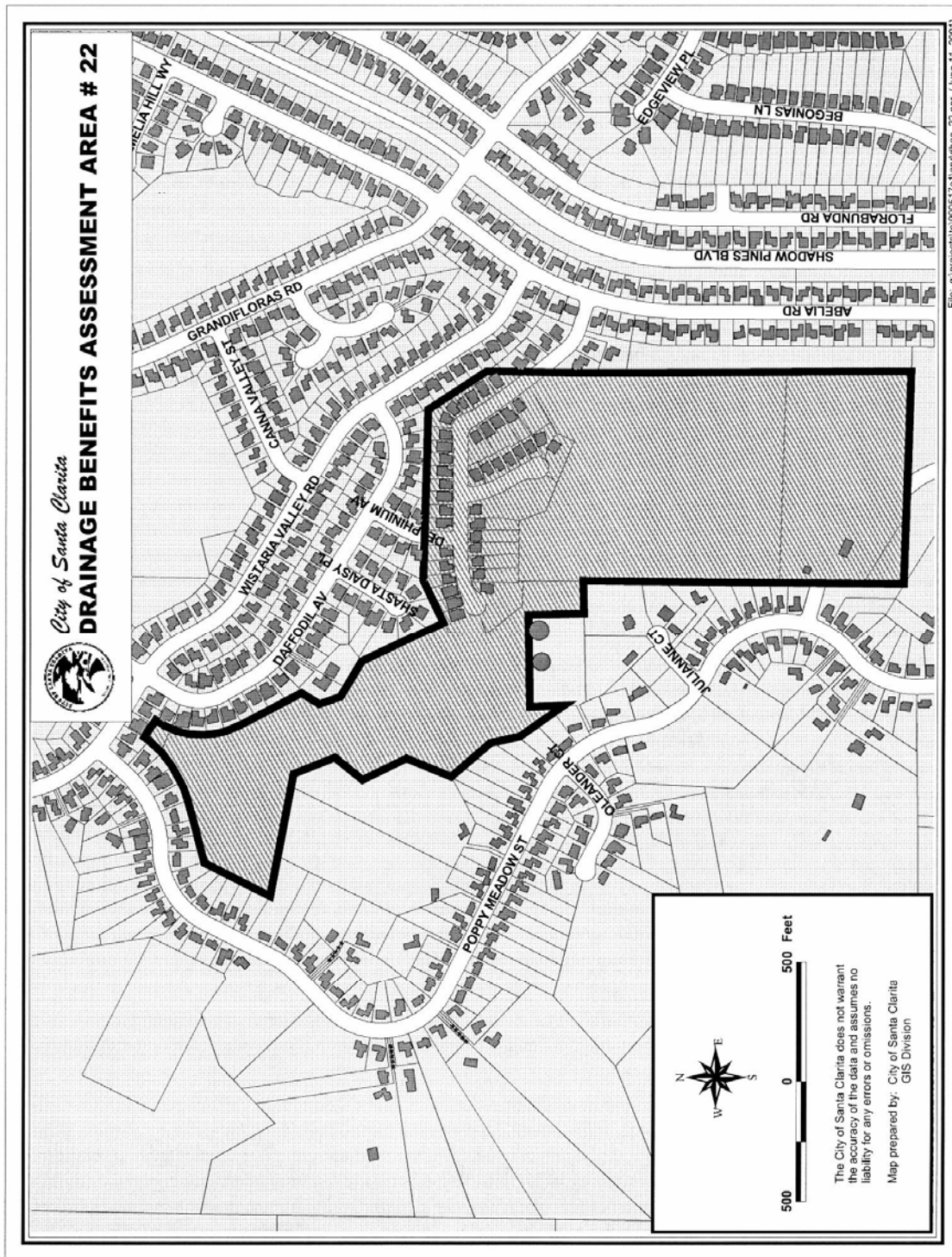


Exhibit G – DBAA No. 2008-1

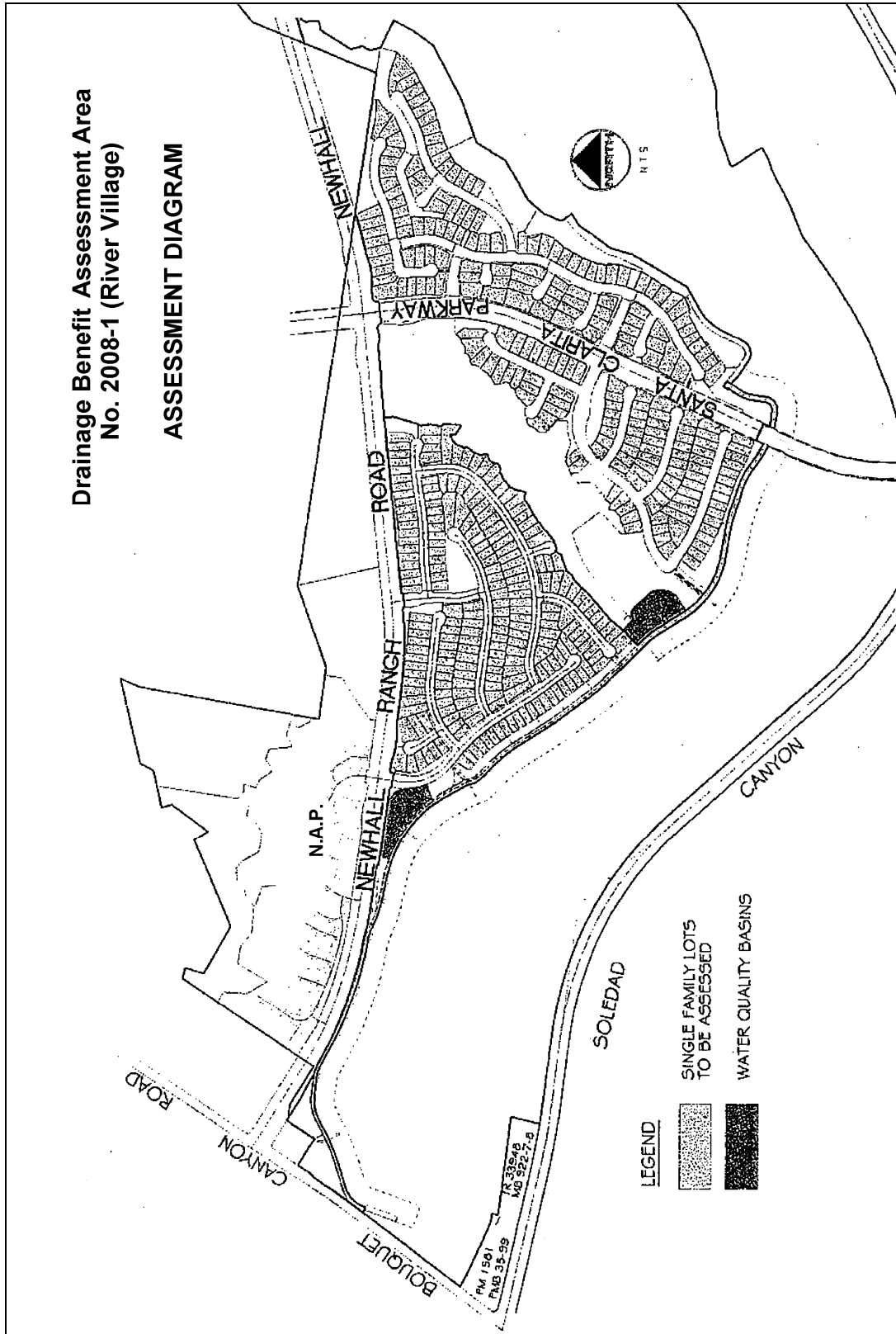
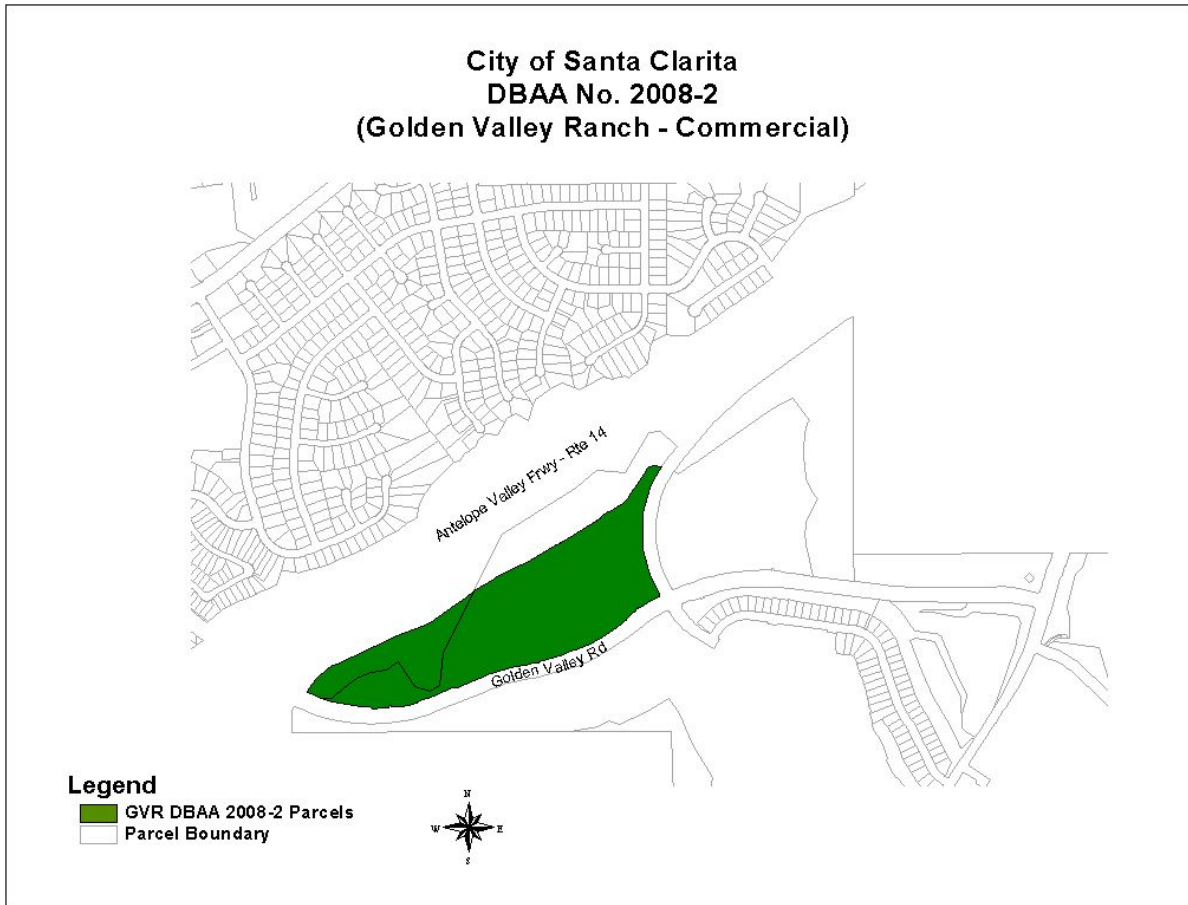


Exhibit H – DBAA No. 2008-2



APPENDIX B

Assessment Roll

Drainage Benefit Assessment Area (DBAA) Nos. 3, 6, 18, 19, 20, 22, 2008-1 and 2008-2

The Assessment Roll for the Drainage Benefit Assessment Areas is hereby incorporated and made a part of this Report. The Assessment Rolls are on file at the City where they are available for public inspection.

Reference is made to the Los Angeles County Assessment Roll for a description of the lots or parcels in each of the assessment districts.