

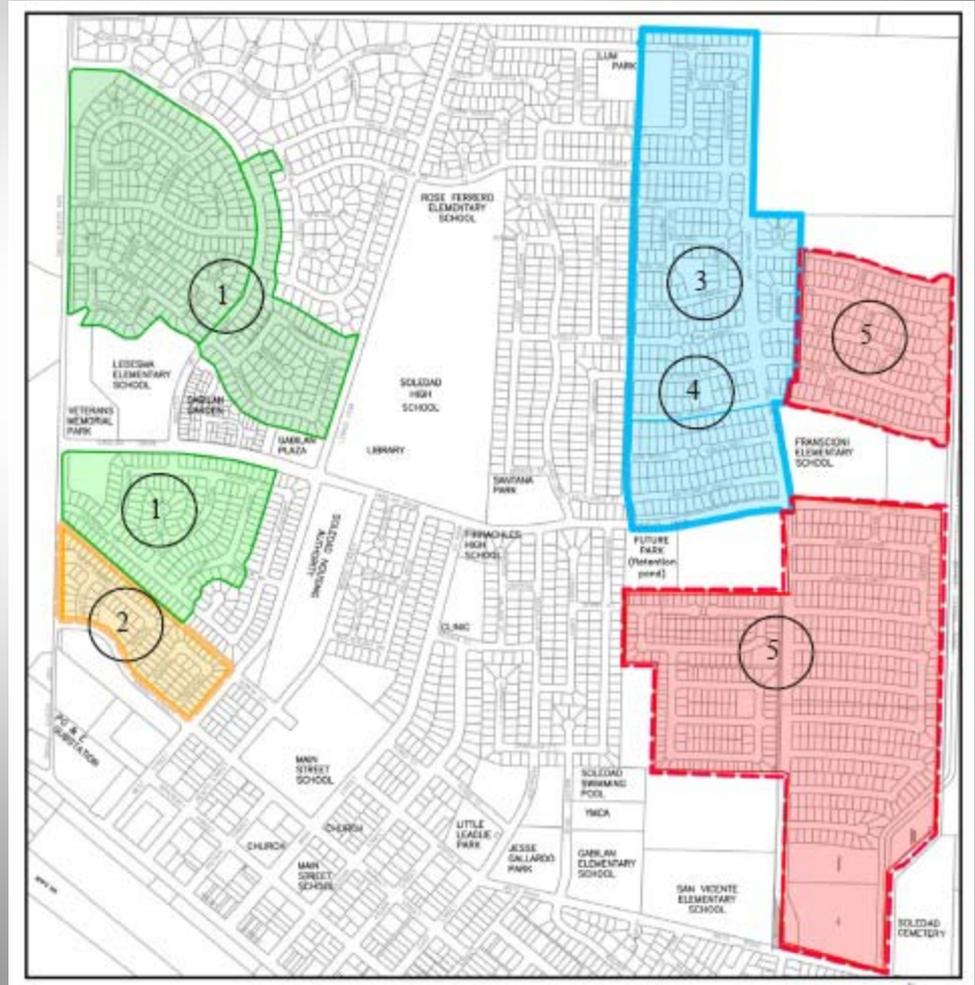
**Assessment District
And
Maintenance and Special Benefit
Districts**

**Adela Gonzalez, City Manager
Stephen P. Compton, Finance Director
Community Information Meeting
October 19, 2010**

City of Soledad

Community Information Meeting – October 19, 2010

- 1= REASSESSMENT DISTRICT NO. 2000-01
(THE VINEYARDS) Improvement Bonds
- 2= RANCHO SAN VICENTE
-RANCHO SAN VICENTE--PARKS & OPEN SPACE
-MAINTENANCE ASSESSMENT DISTRICT
- 3= DIAMOND RIDGE ASSESSMENT DISTRICT
(NO. 2002-01) Improvement Bonds
- 4= DIAMOND RIDGE PHASE I
-PARKS & OPEN SPACE MAINTENANCE
ASSESSMENT DISTRICT
-BENEFIT ASSESSMENT DISTRICT
- 5= ORCHARD VILLAS/MIRAVALLE II-
-PARKS & OPEN SPACE MAINTENANCE
ASSESSMENT DISTRICT
-BENEFIT ASSESSMENT DISTRICT



Assessment Districts

- What are they (2 - AD Areas)
- What can they do
- ADs in Soledad
- Bonded and non-bonded
- Current state – assessment revenues pay for bond debt. If assessments drop, jeopardy of default (what does this mean?), operational expenses decrease, service levels decrease, GF subsidy?

What Can ADs Fund?

Facilities

Transportation systems
Water and sewer systems
Parks and recreation areas
Drainage systems
Grading
Sidewalks
Utility undergrounding
Purchase land
Replenish groundwater

Services

Landscape and lighting
Park maintenance
Flood control
Street improvements
“Clean and safe” and marketing and promotion programs for downtown/business areas
Fire suppression
Vector control

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Assessment Districts

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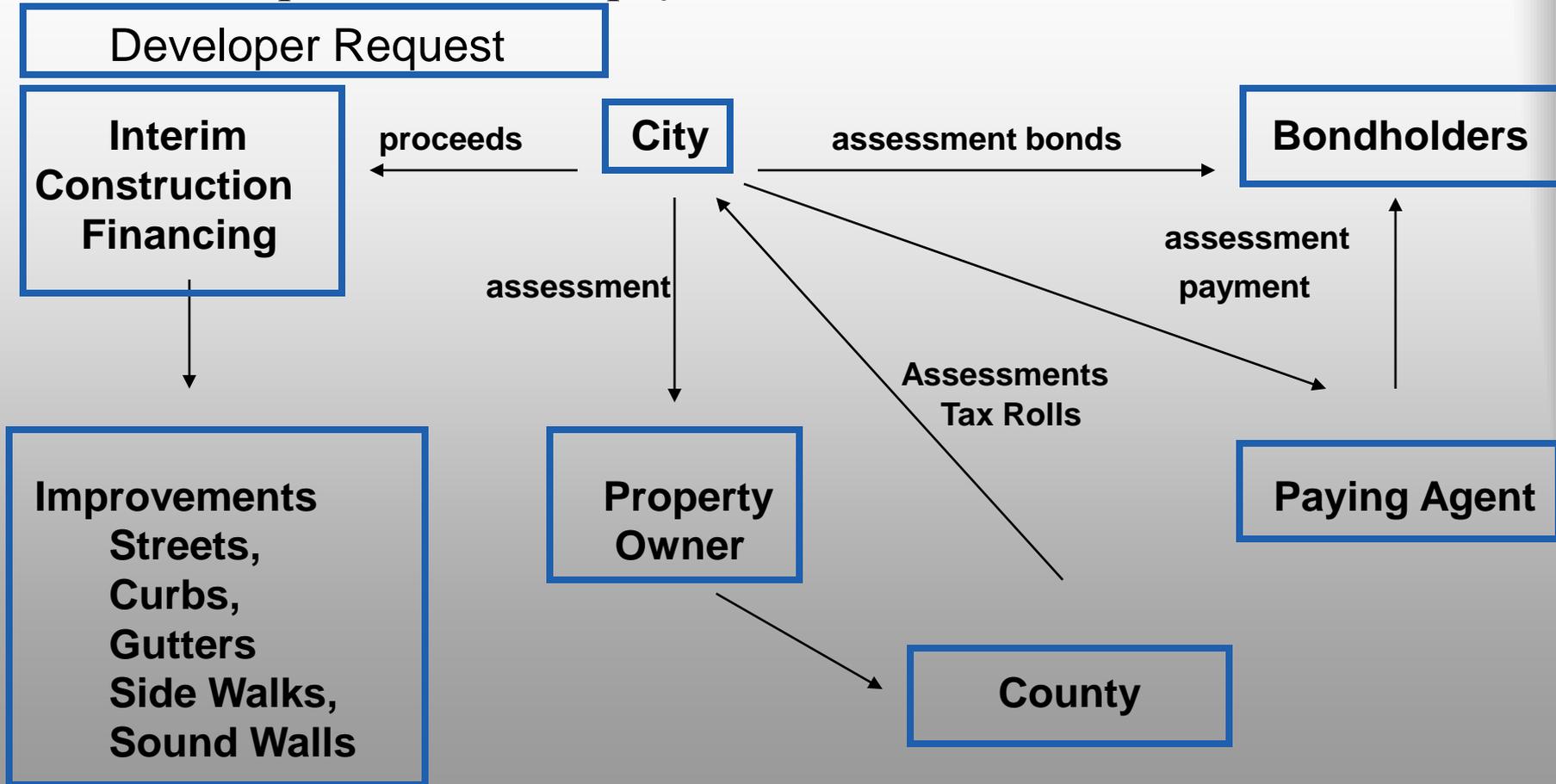
Assessment District Maintenance / Special Benefit Districts

The funds are collected and then transferred to the service department to offset maintenance costs in Public Works and the Parks Division. The funds pay for debt associated with two of the assessment districts, labor and benefits, utility costs and some street/security lights for the districts.

Assessment and Special Benefits District Fund	Amended		Approved	
		2009-2010		2010-2011
Assessment Districts (Bonds)	\$	637,414	\$	615,100
Special Benefit Districts (MADs/BADs -Maintenance)	\$	338,940	\$	216,660
TOTAL		976,354		831,760

Assessment District Bonds (AD)

- A. Governing body must designate an assessment district area
- B. Assessment is a lien on property benefited by finances improvements to pay bond debt



Special Benefit Districts (Maintenance Assessment District - MAD)

A Maintenance Assessment District (MAD) is legal mechanism by which property owners can vote to assess themselves to pay and receive services above-and-beyond what the City normally provides. This above-and-beyond service level is called as "special benefit." What the City normally provides is called the "general benefit." In the past, MADs were also known as Landscape Maintenance Districts (LMDs) or Lighting and Landscape Maintenance Districts (LLMDs). Because many districts include more than landscaping and lighting, the name was changed to better represent the nature of the districts.

Special Benefit Districts (Benefit Assessment District - BAD)

A 1982 Act Benefit Assessment District provides a uniform procedure for local government agencies to finance the maintenance and operation of public systems such as drainage, flood control and street lighting. As a benefit assessment, it is based on the concept of assessing only those properties that benefit from improvements financed, either directly, or indirectly through increased property values. Because it is considered a benefit assessment, a 1982 Act assessment is not subject to Proposition 13 limitations.

Maintenance / Special Benefit Districts

- What are they (5 - MAD/BADs areas)
- What can they do
- MAD/BADS in Soledad
- Current Status: Revenues fund street sweeping, storm water basins, parks and landscape areas.
- If reduced the service would move to a lower level of maintenance or no service at all could be performed unless \$202,660 (labor and materials) or some percentage was funded by General Fund monies.
- Minimal water and electric (Street Lights) costs for irrigation would be established. Or GF would have to provide \$14,000 to maintain staffing, materials, water and electric for the districts. (Total \$216,660)

City of Soledad

Maintenance and Special Benefit Assessment Districts

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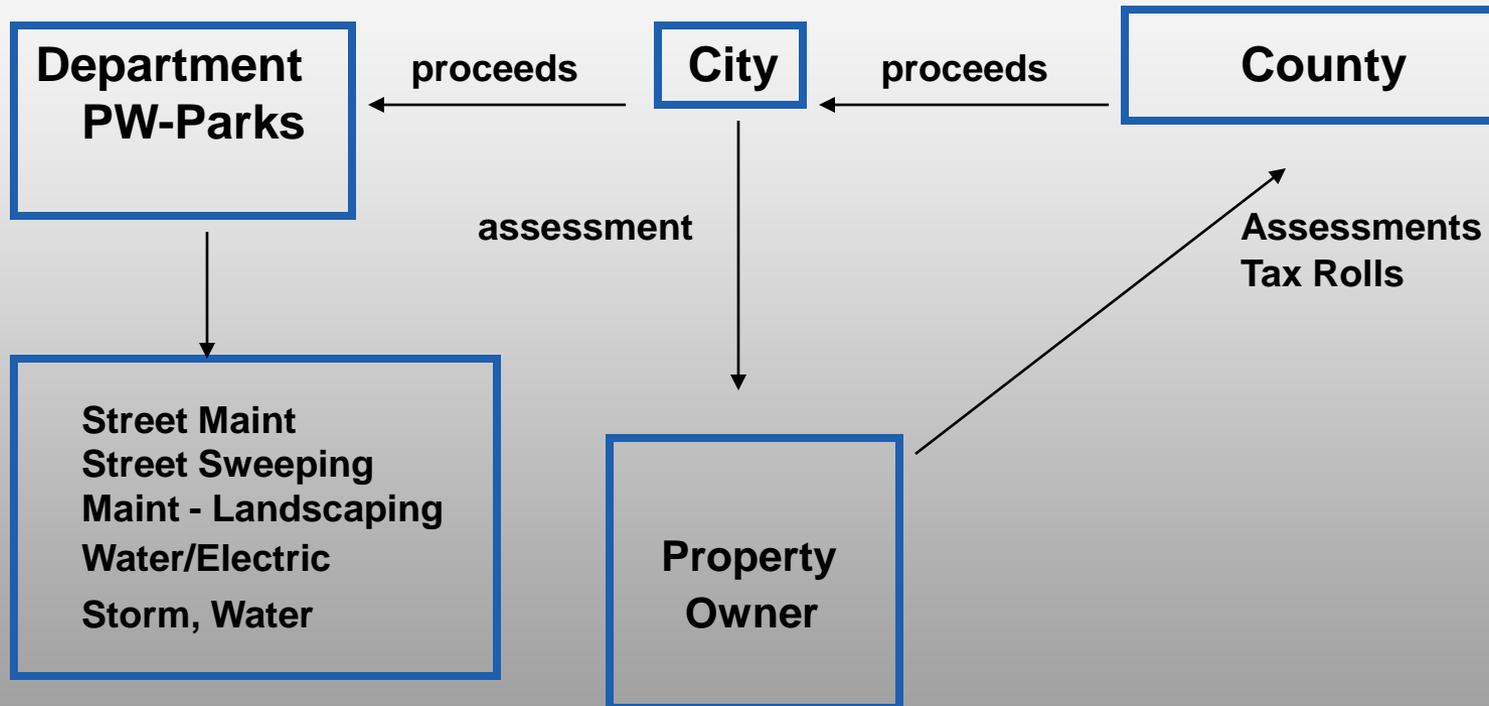
Maintenance / Special Benefit Districts

The funds that are collected and then transferred to the service department to offset maintenance costs in Public Works and the Parks Division. The funds pay for labor and benefits, utility costs and some street/security lights for the districts.

Special Benefits District Fund	Amended	Approved
	<u>2009-2010</u>	<u>2010-2011</u>
Special Benefit Districts (MADs/BADs –Maintenance)	\$ 338,940	\$ 216,660

Maintenance Assessment District (“MAD”) or Benefit Assessment District (“BAD”)

- A. Governing body must designate an assessment district area
- B. Assessment is lien on property benefited by finances improvements to pay maintenance service cost.



San Antonio Park



Santa Barbara Park



Peaverini Park



Gabilan Storm Drain



Sound walls, landscape areas, street maintenance, street sweeping, water, street lights



Landscape, sidewalks



Landscape, streets, lights



Landscape, streets, lights



Orchard Lane Landscape Area



Question?

Adela Gonzalez, City Manager
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<http://www.cityofsoledad.com/>

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