

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL
DATE: APRIL 3, 2009

AGENDA ITEM
E-3
APRIL 8, 2009

MILLER PARK MOU APPROVAL AND FOLLOW UP

ITEM

Review action by SLO County Board of Supervisors to approve Miller Park MOU and discuss next steps [PROVIDE POLICY DIRECTION]

BACKGROUND

The SLO County Board of Supervisors on March 24, 2009 unanimously adopted the attached MOU and authorized General Services to coordinate with NCSD in implementing the MOU. As set forth in the MOU, NCSD is responsible for dissolving the old water well easement and for recording a new easement for the Tefft Street Lift Station. Once these mechanics are completed, the MOU calls for NCSD to prepare a design for the park, to arrange for long term funding for park operations and to secure LAFCO activation of NCSD's latent parks power. Actual transfer of the 1.4 acres would require subsequent action by the Board of Supervisors.

Attached for reference is a project process flowchart. Currently, the District has completed Step 4 (MOU Adoption) in the process flowchart and is ready for Steps 5 (Financial Plan), 6 (LAFCO Application) and 7 (Formation of Assessment Zone of Benefit). Your Board has previously accepted an Assessment Feasibility Study, which staff proposes to use as the basis for the Financial Plan and the Submission to LAFCO.

FISCAL IMPACT -

Implementation of the initial MOU mechanics will require funding from this year's Property Tax reserves. Completion of the park will require funding over several years from NCSD and others,

RECOMMENDATION

Staff recommends that the Board review the MOU/Process Flowchart and authorize staff to proceed with the immediate mechanics. In addition, staff requests that: (1) The Parks Committee schedule a meeting; (2) The Board set May 27, 2009 as the date to discuss the Draft Financial Plan, initiation of the formation of a zone of benefit, application to LAFCO for activation of parks latent authority.

ATTACHMENTS

- MOU
- Process Flowchart
- Excerpts from Assessment Feasibility Study

t:\documents\board matters\board meetings\board letter 2009\Miller Park MOU2.doc

MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF SAN LUIS OBISPO AND
THE NIPOMO COMMUNITY SERVICES DISTRICT
REGARDING THE TRANSFER OF OWNERSHIP IN
COUNTY-OWNED REAL PROPERTY

This Memorandum of Understanding (“MOU”) is entered by and between the County of San Luis Obispo (hereinafter “County”) and the Nipomo Community Services District (hereinafter “District”) with reference to the following Recitals:

RECITALS

- A. The District is a Community Services District formed and operated pursuant to California Government Code, Sections 61000 et seq. Pursuant to said code, the District is authorized to acquire, construct, improve, maintain, and operate recreational facilities, including, but not limited to, parks and open space; and
- B. The District is considering the activation of Park Powers pursuant to the Cortese-Knox-Hertzberg Act and the rules and regulations of the Local Agency Formation Commission (hereinafter “LAFCO”); and
- C. The County is the owner of certain real property consisting of approximately one (1) acre located at the northeast corner of West Tefft and Carrillo Street (APN 090-141-006) along with the adjacent 60-foot-wide strip of land to the west of this parcel, formerly a railroad right-of-way (a portion of APN 090-151-008), hereinafter referred to as “Property”, as depicted in Exhibit “A”; and
- D. The District has requested the County to transfer ownership of the Property to the District, without compensation, for the purpose of constructing and operating a park; and
- E. The District has a 75’ by 75’ easement for water well purposes on County land across the street from said Property on APN 090-142-007, recorded on May 29, 1984 as Document No. 27332; and
- F. The District has not developed this site for water well purposes and no longer requires the easement; and
- G. The District requires an easement for a sewer lift station and sewer lines installed in the early 1980’s on County-owned land, APN 090-142-007; and
- H. District requests a grant of easement from County for the sewer lift station and sewer lines and offers, in lieu of monetary compensation, to quitclaim the 75’ x 75’ water well easement currently held by District, described in Paragraph E above; and

- I. Pursuant to Government Code, Section 56824.14, in order to maintain a public park, the District's exercise of Park Powers must be approved by LAFCO; and
- J. Pursuant to Government Code, Section 25365, the Board of Supervisors may, upon determination that said Property is not required for County use and with a four-fifths vote of the Board, transfer fee title of said Property to District; and
- K. It is the purpose of this MOU to identify the responsibilities of the parties in developing the Property for use as a park and the transfer of the property to the District as well as the trading of easements.
- L. County wishes to cooperate with District's request to transfer the property to the District in order to provide a park to the community of Nipomo.

NOW, THEREFORE, the parties agree as follows:

1. County hereby determines that subject Property is not required for County use.
2. In lieu of monetary compensation and in consideration of District's offer to construct and maintain a public park on the Property, County intends to transfer ownership of the Property to District free of charge following completion of the steps outlined below. Nothing contained in this MOU shall be interpreted to predetermine the transfer of the property or to restrict County's full review and implementation of environmental review related to the transfer of this Property pursuant to CEQA. Said transfer shall require a future public hearing before the Board of Supervisors pursuant to Government Code Section 25365 after the environmental determination and General Plan Conformity Report are completed.
3. District will develop a plan identifying park features and improvements for approval by County Planning and Building Department.
4. District will provide County an analysis of the costs and the funding sources for construction of park improvements and for ongoing operation and maintenance. If such funding shall require the formation of an assessment district, transfer of ownership of the Property shall not occur prior to approval of the assessment district by the affected property owners.
5. Transfer of the property shall not occur prior to LAFCO activation of the District's Park Powers.
6. If required, District shall apply for a public lot split with County Planning and Building Department and provide all documentation necessary to obtain approval of the County Subdivision Review Board prior to recordation of the Quitclaim Deed. District shall provide, at District's expense, a legal description of the property to be transferred, which shall be an original exhibit to the Quitclaim

Deed. District agrees to submit a Voluntary Merger or Certificate of Compliance Application and processing fees, if required, to County Planning and Building Department.

7. County shall process a General Plan Conformity Report and Environmental Determination for the transfer of the Property. Transfer of the property shall not occur prior to filing of the General Plan Conformity Report and Environmental Determination with the County Planning Commission or, if appealed, approval by the County Board of Supervisors.
8. The Property shall be improved in substantial conformity to development plans as submitted to County and shall be open to the public within three years following date of recordation of the Quitclaim Deed.
9. The Property must be used for public park purposes. The property may not be used to provide a parking in-lieu program for nearby commercial development.
10. The Quitclaim Deed shall contain a reversionary clause giving County the right to require the Property to be transferred back from District to the County if the requirements of paragraphs 7 and 8 are not fulfilled.
11. District shall, at District's sole cost and expense, prepare an Easement Deed with original stamped legal description attached describing easement to be granted by County to District for sewer lift station area and sewer lines.
12. District shall, at District's sole cost and expense, provide an Environmental Determination for said sewer lift station and sewer line easement for review and approval by County Environmental Coordinator. Said Environmental Determination must be reviewed by the County Board of Supervisors prior to granting of the easement.
13. District shall, at District's sole cost and expense, prepare an Easement Quitclaim Deed to release the 75' x 75' water well easement on APN 090-142-007, recorded on May 29, 1984 as Document No. 27332.
14. Easement Quitclaim Deed for water well shall be signed by District in a timely manner and delivered to County along with a signed Certificate of Acceptance for the Easement Deed for sewer lift station and sewer lines. This action shall proceed independently of actions related to transfer of Property for park purposes. County staff shall present the Easement Quitclaim Deed to the County Board of Supervisors concurrently with the Easement Deed for sewer lift station and sewer lines in District's name. Subject to approval by the County Board of Supervisors, both documents shall be recorded concurrently. In the event that County Board of Supervisors does not approve the Easement Deed, Easement Quitclaim deed shall be returned by County to District

15. District does not object to County's intention to develop their vacant land across the street from the Property (APN 090-142-007 and adjacent 60-foot-wide strip of land to the west of this parcel, formerly a railroad right-of-way, portion of APN 090-151-008) for future County facilities, so long as said development is consistent with the County's existing General Plan, General Plan policies, and zoning regulations.

16. Good Faith and Fair Dealing: Where the terms of this Agreement provide for action to be based upon opinion, judgment, approval, review or determination of either party hereto, such terms are not intended to and shall never be construed to permit such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable. The County and the District shall each act in good faith in performing their respective obligations as set forth in this Agreement.

//////////NOTHING FURTHER PAST THIS POINT EXCEPT SIGNATURES//////////

COUNTY OF SAN LUIS OBISPO:

By: _____
Chairperson of the Board of Supervisors

Approved by the Board of Supervisors this
____ day of _____, 2009.

ATTEST:

Clerk of the Board of Supervisors

**APPROVED AS TO FORM AND
LEGAL EFFECT:**

WARREN R. JENSEN
County Counsel
By: W. R. Jensen
Assistant County Counsel

Date: 1/13/09

**NIPOMO COMMUNITY SERVICES
DISTRICT:**

By: Jim Harrison
Jim Harrison, President

Dated: _____

ATTEST:
[Signature]
District Secretary

**APPROVED AS TO FORM AND
LEGAL EFFECT:**

[Signature]
Jon S. Seitz, District Legal Counsel
Nipomo Community Services District

Dated: 1-28-09



PROPERTY

EXHIBIT A

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REVISED NCSD PARKS POWERS ACTIVATION & MILLER PARK PROCESS

1. Conduct Survey to Determine Interest in Community
2. Define Project with Stakeholders (OTNA and Property Owners)
 - A. Miller Park Design
 - B. Streetscape and Off-Site Improvements
3. Prepare Assessment Engineer's Report
 - A. Estimate Construction and Maintenance Costs
 - B. Establish Zone(s) of Benefit Boundary (ies)
 - C. Negotiate Allocation of Property Taxes & Assessments
 - D. Publish Draft Report
 - E. Conduct Public Review (PCAS, SCAC, Parks Comm., Board, Workshop)
 - F. Adopt Proposed Report
4. Prepare and Adopt MOU with SLO County
5. Prepare and Adopt Financial Plan
6. Apply to LAFCO
7. Form Assessment Zone of Benefit
8. Propose Park Project and Prepare CEQA Initial Study
9. Complete CEQA Review
10. Conduct Assessment Election

If election is successful
11. Secure LAFCO Approval
12. Transfer Property
13. Construct Core Improvements
14. Construct Additional Improvements
15. Implement Collection of Funding
16. Operate and Maintain

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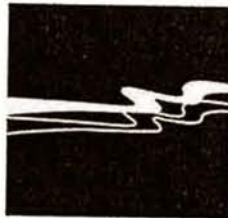
Nipomo Community Services District

Miller Park Assessment District Formation

-FINAL-

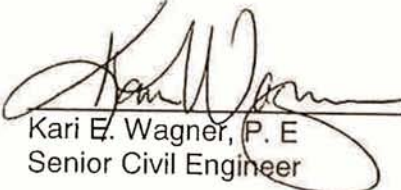
Landscape and Lighting Act of 1972 and Proposition 218 Research
Project Costs and Assessment District Boundary

Report Prepared By:



WALLACE GROUP®

February 29, 2008


Kari E. Wagner, P. E.
Senior Civil Engineer



The Nipomo Community Services District has requested Wallace Group to provide information regarding the formation of an assessment district for the purposes of constructing a park on the east side of Nipomo. See Figure 1. In addition, the District has requested Wallace Group to complete a description of the facilities proposed and a preliminary cost estimate to form the assessment district and a cost estimate to construct, operate, and maintain the park.

The County of San Luis Obispo (County) owns a parcel (APN 090-141-006) located on the northeast corner of Carrillo and West Tefft Streets within the Nipomo Community Services District (District). West Tefft Street borders the parcel to the south, Pacific Coast Railway right-of-way and Carrillo Street to the west, Branch Street, which is currently a "paper" street, to the north, and vacant land, zoned commercial, to the east. This site is also the entrance to the east side of the Olde Towne Design Area. The parcel will be used for a park that will include areas for picnics, farmer's market, and outdoor events.

ASSESSMENT DISTRICT FORMATION

The District is pursuing the formation of an assessment district as the primary means to construct, operate, and maintain Miller Park. The Landscaping and Lighting Assessment Act of 1972 provides the District the means to pursue this funding mechanism for the construction, operations, and maintenance of Miller Park. In addition, the District must follow the requirements of Proposition 218, which was instituted subsequent to the 1972 Landscaping and Lighting Assessment Act and requires public hearing notification. The following is a discussion of the requirements for the formation of an assessment district under the 1972 Act and Proposition 218.

Under the 1972 Act, improvements to a site may be assessed to an established boundary that consists of all parcels that will benefit from such improvements. These improvements include the installation and maintenance of park or recreational improvements, including, but not limited to all of the following:

- Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
- Lights, playground equipment, play courts, and public restrooms.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of land for park, recreational, or open-space.
- Repair, removal, or replacements 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.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

In addition to the costs for improvements listed above, incidental expenses can also be paid through the assessment formation. The incidental expenses include the following:



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Nipomo Community Services District
Miller Park Vicinity Map
Figure 1



1 inch equals 400 feet



- The costs of preparation of the report, including plans, specifications, estimates, diagrams, and assessment.
- The costs of printing, advertising, and providing of published, posted, and mailed notices.
- Compensation payable to the County for collection of assessments.
- Compensation of any engineer or attorney employed to render services in proceedings pursuant to this part.
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements.
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

A resolution initiating the assessment district proceedings is required once the District accepts the description of the improvements, the costs for construction, operations, and maintenance, and the boundary of the assessment district. Included in the resolution shall be the authorization for the Engineer to complete the Engineer's Report. The Engineer's Report shall include the following:

- The fiscal year(s) to which the Engineer's Report applies.
- Plans and specifications (preliminary) for the improvements.
- An estimate of the costs to design, construct and operate the facility.
- A diagram of the assessment district.
- If bonds or notes will be issued, an estimate of their principal amount.

Upon completion of the Engineer's Report, the engineer shall file the report with the District for approval. The District must approve the report, as filed, or it may be modified and approved as modified. Upon approval of the report, the District must adopt a resolution of intention. The notice of intention shall give notice of, and fix a time and place, for a protest hearing by the District. The protest hearing under Proposition 218 must be at least 45 days and requires notices be mailed to each record owner of each parcel. During the 45-day protest period, several public hearings may be held. During the public hearing(s), parcel owners may provide verbal protests to the assessment; however, such verbal protests do not count in the assessment district voting. Only paper votes from parcel owners are accepted towards the protest hearing. The final vote under Proposition 218 would occur at the last required public hearing. A majority vote, 50.1% of the submitted votes based on the weighted assessment, must be in favor of the assessment district in order for the assessment district to pass.

LAFCO

At this time, the District has the latent powers to construct, operate, and maintain Miller Park, but the powers have not been activated. If the latent powers are activated, the District may pursue this project. The District must apply to the Local Agency Formation Commission (LAFCO) in order to activate the District's latent park's powers. LAFCO will require the District to establish a financial means to fund the construction, operations, and maintenance of Miller Park and an environmental assessment of the parcel, for which the project will be built, in order to activate the District's latent powers. The District is pursuing the formation of an assessment district as a financial means to fund the construction, operations, and maintenance of Miller Park.

Assessment District Formation Timeline

It is recommended that the District take the following steps to complete the assessment district formation process:

1. Establish the costs of the project and the boundary of the proposed assessment district. This step is completed within this report.
2. Establish the costs to each parcel based on the costs and boundary established in step 1. Wallace Group is under contract to complete this task once the report in step 1 is approved.
3. Complete an initial CEQA study to determine the environmental impact on the site to determine if a mitigated negative declaration or an environmental impact report (EIR) is required. It is anticipated that the following will be required in the initial CEQA study:
 - a. Traffic Analysis
 - b. Archaeological Investigation
 - c. Biological Investigation
 - d. Botanical Investigation
 - e. Water Usage Evaluation

If no impact is found, it is anticipated that only a mitigated negative declaration will be required. If an EIR is required, the costs of the project will need to be re-evaluated.

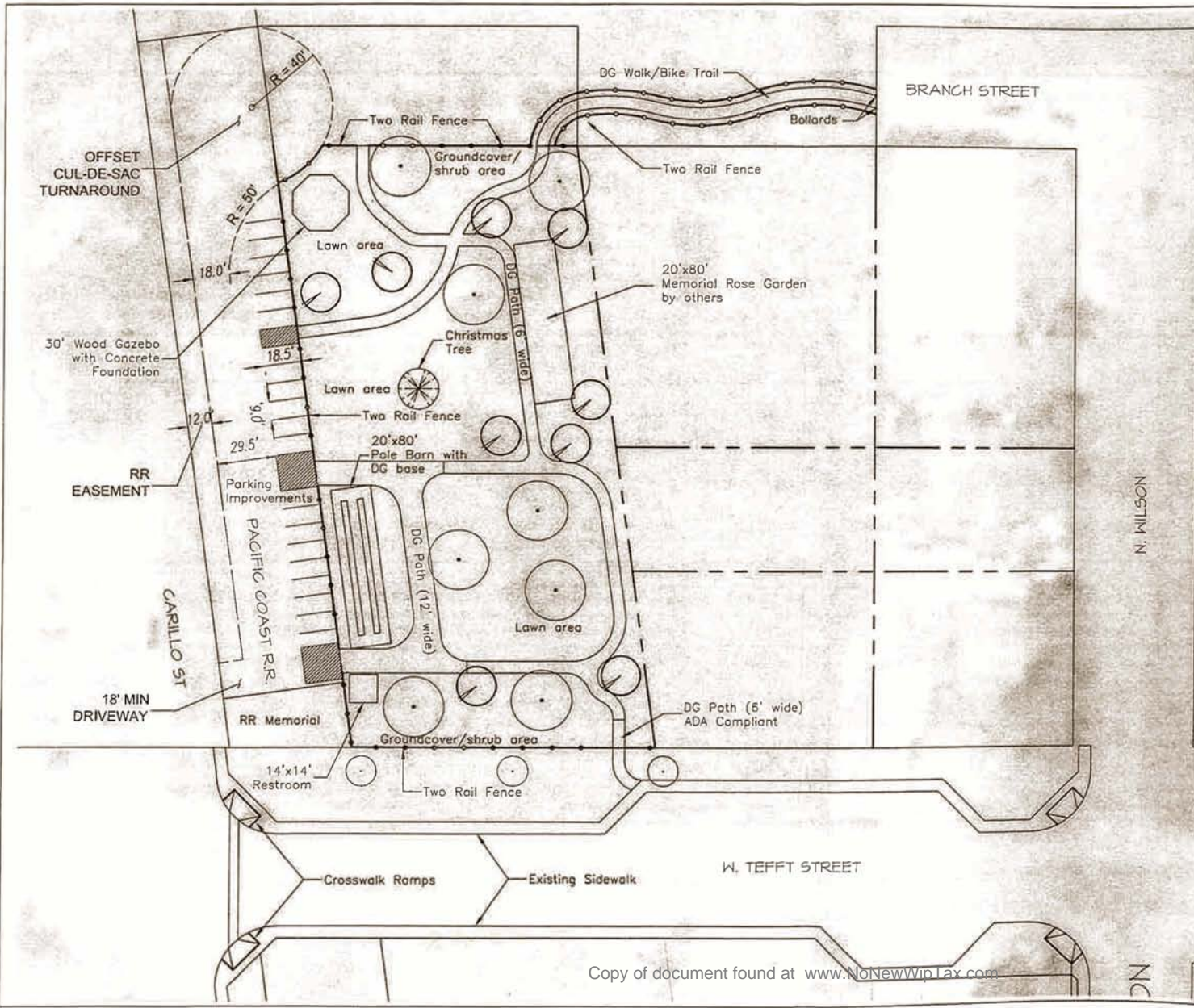
4. Issue a resolution of intention that authorizes the Engineer to prepare the Engineer's Report.
5. Accept the Engineer's Report, or modify and accept the Engineer's Report as modified.
6. It is recommended at this time to apply to LAFCO to activate the District's latent parks powers. This process may take 3 to 6 months.
7. Once the District's latent parks powers are activated by LAFCO, the District should issue a resolution of intention to start the protest hearings. The protest hearing is required to last, at minimum, 45 days. A final public hearing is held on the last day. At this time, the hearing is closed and votes are processed. A majority vote, 50.1% of the submitted votes, based on the weighted assessment, are required to pass the assessment district formation.

MILLER PARK PROJECT FORMATION

The District has been working with the County to obtain the parcel noted on Figure 1 (APN 090-141-006) for the location of the Miller Park. In addition, the District is anticipating obtaining the 60-foot abandoned right of way adjacent to the County parcel from the Pacific Coast Railway to be used for parking. Both parcels are anticipated to be donated to the District. The following provides a discussion on the costs of the project and the assessment district boundary.

Project Assumptions

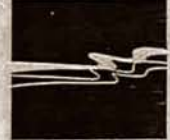
As noted previously, Miller Park will be used for picnics, farmer's market, and outdoor events. Figure 2 provides an illustration of a potential layout of the various facilities



NORTH



SCALE: 1"=50'-0"



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FIGURE 2
MILLER PARK
SITE FACILITIES
 NIPOMO COMMUNITY SERVICES DISTRICT

| | |
|------------|-----------|
| JOB No. : | 0673-01 |
| DRAWING : | BASE PLAN |
| DRAWN BY : | SJC/MJB |
| DATE : | 9-25-07 |
| SCALE : | 1" = 50' |

NC

that are anticipated to be included in the final design. The locations of the facilities and landscaping will be modified during final design. The figure is provided for schematic purposes only and provides the basis for the cost assumptions. The costs for the project are based on the following assumptions:

- Parking – The parking lot will be located within the 60-foot Pacific Coast Railway ROW. The parking lot will be comprised of 8-inches of class II base or redrock. Subsurface to be compacted to 95%. There will be two paved stalls for ADA compliance. The parking lot will include one row of parking and two lanes of traffic. There shall be a turnabout at the north end of the parking lot for vehicles and emergency access. The turnabout is assumed to utilize a small portion of the open space parcel to the north. Branch Street shall not be extended to connect to the parking lot. Landscaping is not anticipated to be incorporated into the parking lot.
- Gazebo – The Gazebo shall be approximately 30-ft diameter Craftsman style gazebo with a 2-foot high raised concrete foundation with steps and an ADA compliant access ramp. The Gazebo shall have interior lighting and electrical outlets.
- Railroad Memorial – The Railroad Memorial shall not be modified as part of this project. The memorial includes the existing signs located on the northeast corner of Carrillo and West Tefft Streets, and the proposed 12-foot easement west of the parking lot to be used for a future railroad monument.
- Restroom – The restroom shall be a prefabricated restroom building with a men's and women's side, each with one stall. The restroom shall have shielded exterior lighting. The restroom shall be situated on a concrete foundation. The District shall provide lights, water and sewer service to the restroom.
- Pole Barn – The Pole Barn, suitable for public use, shall be approximately 20-ft wide by 80-ft long. It shall be situated on a DG base with a 6-inch concrete band around the perimeter. The Pole Barn shall have interior lighting and electrical outlets.
- Paths – Within the park area, 6-foot wide paths shall be incorporated into the design, including access to the various facilities. A 12-foot wide path shall also be included for vehicular access to the Pole Barn. All trails shall be constructed of 4-inch DG with bender board on both sides of the trail. Subsurface to be compacted to 95%.
- Softscape – Turf shall comprise a portion of the park as designated on Figure 1. The turf shall be installed as a hydroseed mix.
- Trees/Shrubs – Trees and shrubs shall be planted throughout the park. Trees shall be installed as 24-inch box specimens. A Christmas tree shall be located in the approximate center of the park.
- Picnic Facilities – The picnic facilities shall include benches and two water fountains. The benches shall be concrete. DG shall be located under the

benches. Two drinking fountains shall be located onsite. The drinking fountain shall be free standing and include a pet pool.

- Fence – A fence shall border three sides of the park, excluding path entrances. The east side of the park shall not be fenced. The fence shall be a two rail, vinyl fence.
- Lighting – There shall be no lighting in the park except as previously noted in the gazebo, the pole barn, and restroom.
- Utilities – The park shall need to have power, water and sewer utilities. Water and sewer service will be provided by the District.
- Pedestrian/Bike Path – A pedestrian/bike path shall be developed from the end of Branch Street to the northeast corner of Miller Park to serve as access for the parcels located northeast of the park. The trail shall be comprised of DG and shall be lined on both sides with a two rail fence to protect the open space around the trail.

Project Costs

Table 1 provides a summary of capital and operations and maintenance costs for Miller Park. Appendix A provides a detailed breakdown of the costs for each component. The following costs are expressed in August 2007 dollars, using an ENR index of 8007, and will need to be escalated to the year (midpoint of construction) scheduled for the work.

Table 1. Estimated Miller Park Construction, Operations, and Maintenance Costs

| | Cost |
|--|------------------|
| Hardscape/Parking | \$86,125 |
| Softscape | \$94,300 |
| Trees | \$4,300 |
| Furnishings | \$268,600 |
| Utilities | \$82,250 |
| 90-Day Maintenance | \$10,000 |
| Total Construction Cost | \$545,575 |
| 30% Construction Contingency | \$164,500 |
| Grand Total Construction Cost | \$710,075 |
| Soft Costs (30%) ¹ | \$212,000 |
| Total Project Costs | \$992,075 |
| Annual Operation and Maintenance Costs | \$20,770 |

¹ Costs for bond administration are not included. Environmental costs are for a mitigated negative declaration. If an EIR is required, costs must be re-evaluated.

ASSESSMENT DISTRICT BOUNDARY AND METHODOLOGY

Miller Park is located on the corner of Tefft and Carrillo Street on the east side of the freeway within the Nipomo Community Services District. The Assessment District is broken into three benefit groups; Primary, Secondary, and General. Each are described below.

Primary Benefit Assessment District

Miller Park will have a primary benefit to those parcels that immediately surround the park. Residents or employees of the parcels that surround the park are within walking/biking distance and can use the facilities at the park on a daily basis. The Primary Benefit Assessment District boundary coincides with the Olde Towne Design Area, which is established in the Olde Towne Nipomo Design and Circulation Plan. Figure 3 depicts the Primary Assessment District boundary. A total of 125 parcels are included in the Primary Assessment District.

The Olde Towne Design Area is a defined boundary within Nipomo Community Services District. Miller Park will be located in the approximate center of the Olde Towne Design Area. All parcels within the Olde Towne Design Area are less than 0.4 miles from the park. Parcels within this Olde Towne Design Area boundary shall have safe access to Miller Park via walking, biking or driving. There shall be a safe pedestrian crossing on Tefft Street for access from the east side of Tefft Street. There shall be a bike/walking path from the end of Branch Street to the north edge of the park. This path shall provide access to pedestrians coming from the northwest side of Tefft Street. Parcels located on the southwest side of Tefft Street shall access the park via sidewalks along Tefft Street. A parking lot at Miller Park shall be available for those driving to the park.

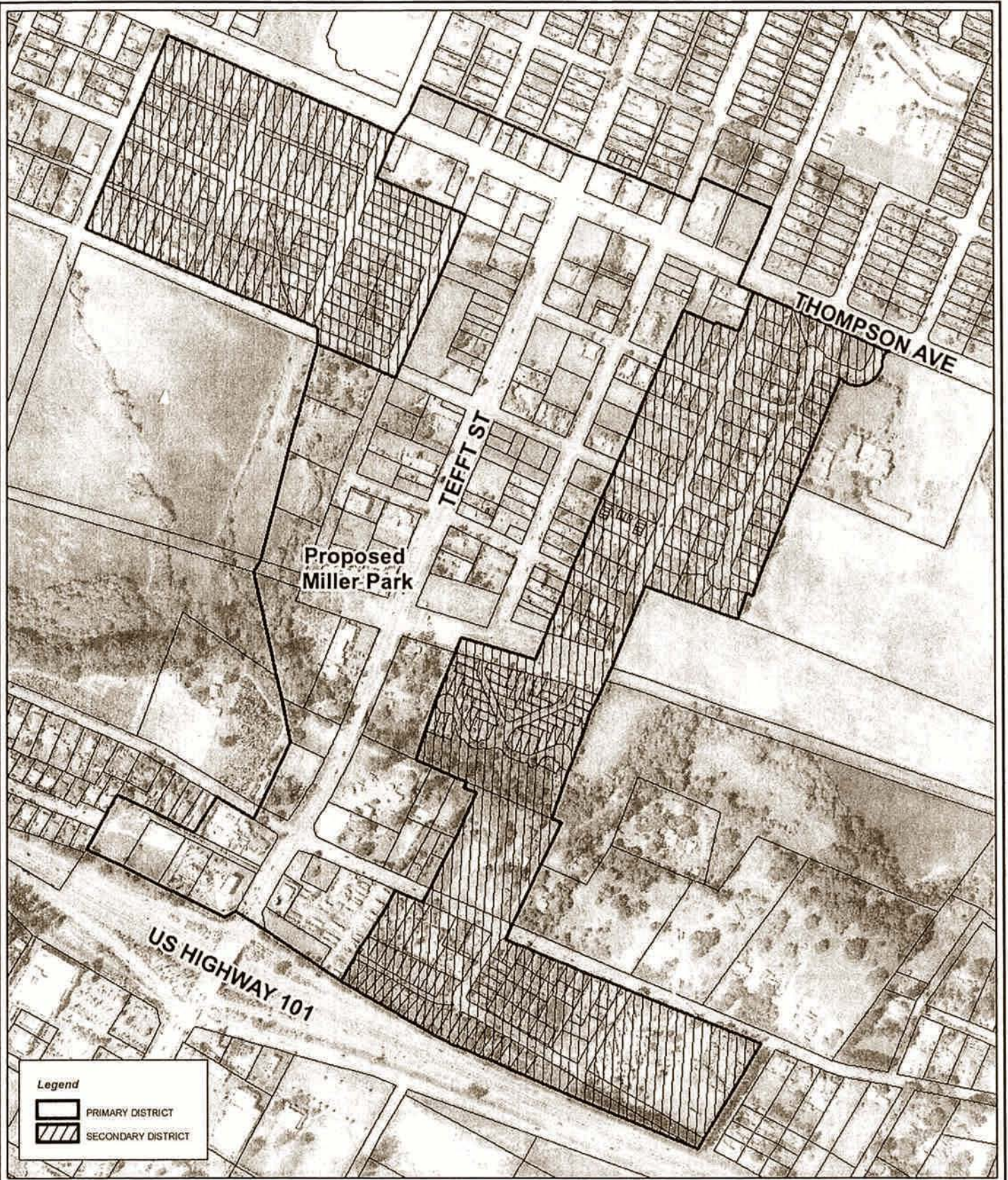
Secondary Benefit Assessment District

Miller Park will have a secondary benefit to additional parcels outside of the Primary Assessment District. These parcels are still within walking/biking distance to the park. The Secondary Benefit Assessment District boundary includes parcels outside the Olde Towne Design Area, bordered to the west by Highway 101 and to the east by Thompson Avenue. Figure 3 depicts the Secondary Assessment District boundary. A total of 292 parcels are included in the Secondary Assessment District.



All parcels within the Secondary Assessment District are within 0.75 miles of the park and will not need to cross either Highway 101 or Thompson Avenue to access the park. Miller Park shall have safe accessibility via walking, biking or driving. There shall be a safe pedestrian crossing on Tefft Street for access from the east side of Tefft Street. There shall be a bike/walking path from the end of Branch Street to the north edge of the park. This path shall provide access to pedestrians coming from the northwest side of Tefft Street. Parcels located on the southwest side of Tefft Street shall access the park via sidewalks along Tefft Street. A parking lot at Miller Park shall be available for those driving to the park.

General Benefit

Miller Park will have a general benefit to the entire community due to its unrestricted access to all residents. All residents within Nipomo Community Services District shall be




Legend

| | |
|---|--------------------|
|  | PRIMARY DISTRICT |
|  | SECONDARY DISTRICT |




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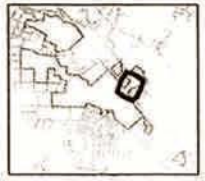
Nipomo Community Services District
 Miller Park Assessment
 Primary and Secondary Districts
 Figure 3



1 inch equals 500 feet



0 250 500 Feet



able to attend the farmer's market, use the picnic facilities, and/or attend functions at the gazebo. The General Benefit will include all parcels within the Nipomo Community Services District.

ASSESSMENT DISTRICT FUNDING AND METHODOLOGY

The construction costs of Miller Park will be funded by three entities; San Luis Obispo County, Nipomo Community Services District property tax (General Fund), and volunteers. The total capital cost of the project is estimated at \$922,000. It is assumed at this time that the park and the parking lot will be donated to the District by the County. Table 2 provides a debt service schedule of the capital costs for Miller Park. The debt service schedule is based on a 6% interest rate paid out over 20 years. Payee(s) are unknown at this time.

Table 2. Debt Service Schedule

| Debt Service 6% OVER 20 Years | | | | | |
|----------------------------------|-------------------|-----------|-----------|-------------|-------------------|
| Year | Principal Balance | Interest | Principal | Payment | Principal Balance |
| 1 | \$922,000 | \$55,320 | \$25,080 | \$80,400 | \$896,920 |
| 2 | \$896,920 | \$53,815 | \$26,585 | \$80,400 | \$870,335 |
| 3 | \$870,335 | \$52,220 | \$28,180 | \$80,400 | \$842,155 |
| 4 | \$842,155 | \$50,529 | \$29,871 | \$80,400 | \$812,285 |
| 5 | \$812,285 | \$48,737 | \$31,663 | \$80,400 | \$780,622 |
| 6 | \$780,622 | \$46,837 | \$33,563 | \$80,400 | \$747,059 |
| 7 | \$747,059 | \$44,824 | \$35,576 | \$80,400 | \$711,483 |
| 8 | \$711,483 | \$42,689 | \$37,711 | \$80,400 | \$673,772 |
| 9 | \$673,772 | \$40,426 | \$39,974 | \$80,400 | \$633,798 |
| 10 | \$633,798 | \$38,028 | \$42,372 | \$80,400 | \$591,426 |
| 11 | \$591,426 | \$35,486 | \$44,914 | \$80,400 | \$546,511 |
| 12 | \$546,511 | \$32,791 | \$47,609 | \$80,400 | \$498,902 |
| 13 | \$498,902 | \$29,934 | \$50,466 | \$80,400 | \$448,436 |
| 14 | \$448,436 | \$26,906 | \$53,494 | \$80,400 | \$394,942 |
| 15 | \$394,942 | \$23,697 | \$56,703 | \$80,400 | \$338,239 |
| 16 | \$338,239 | \$20,294 | \$60,106 | \$80,400 | \$278,133 |
| 17 | \$278,133 | \$16,688 | \$63,712 | \$80,400 | \$214,421 |
| 18 | \$214,421 | \$12,865 | \$67,535 | \$80,400 | \$146,886 |
| 19 | \$146,886 | \$8,813 | \$71,587 | \$80,400 | \$75,299 |
| 20 | \$75,299 | \$4,518 | \$75,882 | \$80,400 | -\$583 |
| | | \$685,417 | \$922,583 | \$1,608,000 | |

able to attend the farmer's market, use the picnic facilities, and/or attend functions at the gazebo. The General Benefit will include all parcels within the Nipomo Community Services District.

ASSESSMENT DISTRICT FUNDING AND METHODOLOGY

The construction costs of Miller Park will be funded by three entities; San Luis Obispo County, Nipomo Community Services District property tax (General Fund), and volunteers. The total capital cost of the project is estimated at \$922,000. It is assumed at this time that the park and the parking lot will be donated to the District by the County. Table 2 provides a debt service schedule of the capital costs for Miller Park. The debt service schedule is based on a 6% interest rate paid out over 20 years. Payee(s) are unknown at this time.

Table 2. Debt Service Schedule

| Debt Service 6% OVER 20 Years | | | | | |
|----------------------------------|-------------------|-----------|-----------|-------------|-------------------|
| Year | Principal Balance | Interest | Principal | Payment | Principal Balance |
| 1 | \$922,000 | \$55,320 | \$25,080 | \$80,400 | \$896,920 |
| 2 | \$896,920 | \$53,815 | \$26,585 | \$80,400 | \$870,335 |
| 3 | \$870,335 | \$52,220 | \$28,180 | \$80,400 | \$842,155 |
| 4 | \$842,155 | \$50,529 | \$29,871 | \$80,400 | \$812,285 |
| 5 | \$812,285 | \$48,737 | \$31,663 | \$80,400 | \$780,622 |
| 6 | \$780,622 | \$46,837 | \$33,563 | \$80,400 | \$747,059 |
| 7 | \$747,059 | \$44,824 | \$35,576 | \$80,400 | \$711,483 |
| 8 | \$711,483 | \$42,689 | \$37,711 | \$80,400 | \$673,772 |
| 9 | \$673,772 | \$40,426 | \$39,974 | \$80,400 | \$633,798 |
| 10 | \$633,798 | \$38,028 | \$42,372 | \$80,400 | \$591,426 |
| 11 | \$591,426 | \$35,486 | \$44,914 | \$80,400 | \$546,511 |
| 12 | \$546,511 | \$32,791 | \$47,609 | \$80,400 | \$498,902 |
| 13 | \$498,902 | \$29,934 | \$50,466 | \$80,400 | \$448,436 |
| 14 | \$448,436 | \$26,906 | \$53,494 | \$80,400 | \$394,942 |
| 15 | \$394,942 | \$23,697 | \$56,703 | \$80,400 | \$338,239 |
| 16 | \$338,239 | \$20,294 | \$60,106 | \$80,400 | \$278,133 |
| 17 | \$278,133 | \$16,688 | \$63,712 | \$80,400 | \$214,421 |
| 18 | \$214,421 | \$12,865 | \$67,535 | \$80,400 | \$146,886 |
| 19 | \$146,886 | \$8,813 | \$71,587 | \$80,400 | \$75,299 |
| 20 | \$75,299 | \$4,518 | \$75,882 | \$80,400 | -\$583 |
| | | \$685,417 | \$922,583 | \$1,608,000 | |

The on-going Operations and Maintenance costs for the park will be funded by three entities as well; Nipomo Community Services District property tax (General Fund), primary beneficiaries, and secondary beneficiaries. The annual operations and maintenance costs are anticipated to be \$20,766.

Assessment Methodology

The costs for the operations and maintenance will be apportioned based on the benefit to each of the various land uses. The following is a description of the land uses and their equivalent benefit.

Residential Single Family (RSF). All developed or vacant residential single family parcels will be assessed 1.0 benefit unit or one share in the cost.

Residential Multi-Family (RMF). All developed or vacant residential multi-family parcels will be assessed $\frac{3}{4}$ (0.75) benefit units per unit, unless only one unit is developed on the parcel. If only one unit is built on a RMF zoned lot, the parcel is assessed 1.0 benefit units.

Commercial (CR, CS, OP, PF). The County Land Use Ordinance permits a wide range of uses within these zones in particular, rendering an assessment based on land use impractical. To avoid conjecture regarding ultimate land use, commercial parcels being used as Commercial were assessed according to parcel size. Improved parcels up to 10,000 square feet were assessed the same as an occupied single family residence. Larger parcels are assessed at increasing increments of benefit units for each 10,000 square foot increment of land. For example, a 25,000 square foot lot is assessed at a full 2.50 benefit units. In circumstances where the County Land Use Ordinance would permit the addition of a residential unit to the commercial use, the parcel size was still used as the basis for the assignment of benefit.

Improved commercial parcels used for residential purposes are assessed the same as RSF or RMF parcels, based on existing use.

Assessment Roll

A list of names and addresses of the owners of all parcels, and the description of each lot or parcel within the Primary and Secondary Assessment District is shown in Appendix B of this report. This list is keyed to the Assessor's Parcel Numbers (APN) as shown on the Assessment Roll, which includes the proposed amount of assessment apportioned to each lot or parcel. There are a total of 237.11 benefit units in the Primary Boundary and 329.50 benefit units in the Secondary Boundary.

Funding Apportionment for Operations and Maintenance

The cost of the operations and maintenance for Miller Park will be paid by money from the General Fund, the Primary District and the Secondary District. The General Fund will cover 40% of the operations and maintenance costs associated with the Park. The Primary District will be responsible for 40% of this cost and the Secondary District will be responsible for the remaining 20% of the operations and maintenance costs. Table 3 provides a summary of the costs for each fund and the associated per annum cost per benefit unit for the Primary and Secondary Districts.

Table 3. Funding Apportionment for Operations & Maintenance

| | | Apportioned Per Annum Cost | Total Benefit Units | Cost per Benefit Unit per Annum |
|--------------------|---------|----------------------------|---------------------|---------------------------------|
| Total O&M Costs | 100.00% | \$20,766 | | |
| General Fund | 40.00% | \$8,306 | | |
| Primary District | 40.00% | \$8,306 | 237.11 | \$35.03 |
| Secondary District | 20.00% | \$4,153 | 329.50 | \$12.60 |

Miller Park, Nipomo, CA

APPENDIX A. STATEMENT OF PROBABLE CONSTRUCTION COST

September 25, 2007

Costs are expressed in August 2007 dollars, using an ENR index of 8007

| ITEM | QUANTITY | | COST | TOTAL COST |
|---|----------|----|-------------|------------------|
| HARDSCAPE / PARKING | | | | |
| DG | 29,500 | sf | \$0.75 | \$22,125 |
| CONCRETE MOW BAND | 200 | lf | \$20.00 | \$4,000 |
| CONCRETE FOUNDATION FOR RESTROOM AND GAZEBO | 1 | ls | \$25,000.00 | \$25,000 |
| GRUB / EARTHWORK / GRADING | 1 | ls | \$35,000.00 | \$35,000 |
| HARDSCAPE / PARKING TOTAL | | | | \$86,125 |
| SOFTSCAPE | | | | |
| GROUND COVERS / SHRUBS | 18,000 | sf | \$1.25 | \$22,500 |
| TURF | 20,000 | sf | \$1.00 | \$20,000 |
| ROOT BARRIER | 20,000 | sf | \$1.72 | \$34,400 |
| MULCH | 18,000 | sf | \$0.15 | \$2,700 |
| BENDER BOARD | 1,400 | lf | \$1.00 | \$1,400 |
| SOIL PREPARATION | 38,000 | sf | \$0.35 | \$13,300 |
| SOFTSCAPE TOTAL | | | | \$94,300 |
| TREES | | | | |
| GROVE | 20 | ea | \$200.00 | \$4,000 |
| TREE STAKES & TIES | 20 | ea | \$15.00 | \$300 |
| TREE COST | | | | \$4,300 |
| FURNISHINGS | | | | |
| POLE BARN 20'X80' | 1 | ea | \$98,000.00 | \$98,000 |
| GAZEBO 30' OCTAGON | 1 | ea | \$72,000.00 | \$72,000 |
| RESTROOM - 2 STALLS | 1 | ea | \$65,000.00 | \$65,000 |
| PICNIC TABLES - CONCRETE | 4 | ea | \$2,400.00 | \$9,600 |
| FENCING | 950 | lf | \$20.00 | \$19,000 |
| MISCELLANEOUS | 1 | LS | \$5,000.00 | \$5,000 |
| FURNISHINGS COST | | | | \$268,600 |
| UTILITIES | | | | |
| IRRIGATION | 38,000 | sf | \$1.25 | \$47,500 |
| 1" WATER SERVICE | 2 | ls | \$2,500.00 | \$5,000 |
| DRINKING FOUNTAINS | 2 | ea | \$3,500.00 | \$7,000 |
| 4" PVC SEWER MAIN | 50 | lf | \$55.00 | \$2,750 |
| ELECTRICAL / LIGHTING | 1 | ls | \$20,000.00 | \$20,000 |
| UTILITIES COST | | | | \$82,250 |
| 90 DAY MAINTENANCE | | | | \$10,000 |
| TOTAL | | | | \$545,575 |
| CONTINGENCY (30%) | | | | \$163,673 |
| CONSTRUCTION GRAND TOTAL | | | | \$709,248 |
| SOFT COSTS* (30%) | | | | \$212,774 |
| PROJECT TOTAL COSTS | | | | \$922,022 |

* Soft costs include construction engineering, construction management, legal review, assessment engineering, administration costs, and environmental review. It is assumed that a mitigated negative declaration will only be required. Costs for Bond administration is not included at this time.

Operations and Maintenance Expenses for Miller Park
September 20, 2007

| | Capital Costs | O&M Monthly Costs | O&M Yearly Costs | Replacement Costs over 30 years | Pro-Rated Costs Per Annum |
|-----------------------|---------------|-------------------|------------------|---------------------------------|---------------------------|
| Landscape Maintenance | \$25,000 | \$800 | \$9,600 | \$833 | |
| Pole Barn | \$98,000 | \$100 | \$1,200 | \$0 | |
| Restroom | \$72,000 | \$250 | \$3,000 | \$2,400 | |
| Gazebo | \$65,000 | \$100 | \$1,200 | \$0 | |
| Fence | \$19,000 | \$75 | \$900 | \$633 | |
| Insurance | | | \$1,000 | | |
| Total | | | \$16,900 | \$3,866 | \$20,766 |