

**TENTATIVE ANNUAL REPORT
FISCAL YEAR 2023-2024**

**CONTRA COSTA COUNTY SERVICE AREA M-30
(Alamo Springs)**

June 13, 2023



Board of Supervisors

John Gioia, District 1
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Prepared by
**Contra Costa County
Public Works Department**

BACKGROUND INFORMATION

In August 1989, the Town of Danville (“Town”) and the County of Contra Costa (“County”) entered into a Memorandum of Agreement to undertake a joint-jurisdiction General Plan and project review for the Alamo Springs Project (“Project”), which is located north of Interstate 680 off Alamo Springs Drive. The project originally provided for the development of 53 single-family homes, of which 11 were to be located within the Town of Danville and 42 were to remain in the unincorporated portion of Contra Costa County.

After certification of an Environmental Impact Report (EIR) for the Project, the Board of Supervisors on December 8, and 15, 1992, approved the Project. The unincorporated area of the Project was simultaneously rezoned to a planned unit development. On January 23, 1996, the Town and County entered into a new Memorandum of Agreement, superseding the August 1989 Memorandum of Agreement, to establish procedures for joint review and approval of the project.

During the planning process, it was decided that the Town would provide extended services in the form of police, public street maintenance, park and roadside landscape maintenance to the homes in the unincorporated area. Public Street lighting would be provided by Contra Costa County. It was decided that a benefit assessment or service charge collected on the property tax bills via a County Service Area (CSA) was the best funding mechanism to pay for the increased services.

On September 3, 1997, Danville Town Council adopted Resolution No. 124-97, requesting Contra Costa County Local Agency Formation Commission (“LAFCO”) approve formation of County Service Area (CSA) M-30. On November 17, 1997, LAFCO approved formation of CSA M-30.

On May 5, 1998, the Board of Supervisors conducted a public hearing and subsequently approved Resolution 1998/235, which authorized the annual levy of service charges on the parcels located within CSA M-30 to fund extended public services.

The services provided by CSA M-30 are:

1. **Police Services.** All police services provided to residents by Town police, including without limitation, community services, crime prevention, investigation, patrol, and traffic enforcement.
2. **Park and Roadside Landscape Services.** All park and roadside landscape services provided to residents including without limitation, maintenance of parks and other public facilities, such as the Danville Library and Community Center, and maintenance of all roadside and median landscaping.
3. **Public Street Maintenance.** All public street maintenance, including without limitation, repair and replacement of asphalt on public streets, crack sealing, and other maintenance measures to protect and prolong the life of the public streets, repair and replacement of street signs, stop signs, etc.
4. **Street Lighting.** The operation, maintenance and servicing of public streetlights and appurtenant facilities as required to provide safe lighting along public streets. Maintenance is provided by Contra Costa County.

There was no impact to the operations of CSA M-30 due to COVID-19.

CURRENT ANNUAL ADMINISTRATION

Pursuant to County Ordinance Section 1012-2.6, former County Service Area Law (California Government Code Section 25210.77a), and current County Service Area Law (California Government Code Section 24210.3, subd. (d)), the Tentative Annual Report has been filed with the Clerk of the Board of Supervisors, public notice has been completed as required, and the Board conducted a Public Hearing and then made a determination on each estimated service charge in the tentative report. The Board of Supervisors will review the Tentative Annual Report in accordance with Resolution No. 2023/85, on June 13, 2023, and conduct a Public Hearing in connection with the proceedings for CSA M-30.

Upon adoption of the Final Annual Report by the Board of Supervisors, the charges contained herein will be collected on the property tax roll of Contra Costa County in the same manner, by the same persons, at the same time as, and together with the County's property taxes.

Legal Authority

As required by County Ordinance Section 1012-2.6, former County Service Area Law (California Government Code Section 25210.77a), and current County Service Area Law (California Government Code Section 24210.3, subd. (d)), the Tentative Annual Report includes the following minimum information as shown in the Service Charge Roll:

1. A description of each parcel of real property receiving the miscellaneous extended service;
2. The basic service charge;
3. The estimated amount of the service charge for each parcel for such year; and
4. A parcel list identifying each parcel receiving services that allows parcel owners to find their property on the list and determine the proposed charge.

This annual report also includes an estimate of annual costs and the method of apportionment as additional information to allow the reader to better understand what services are being paid for, what is the total annual cost for the services provided, and how the cost of services is spread to each individual parcel.

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ESTIMATE OF ANNUAL COST

The Fiscal Year 2022-2023 projected and Fiscal Year 2023-2024 proposed revenues and expenditures are shown below. A special fund has been set up for the collection of revenues and coding of expenditures for CSA M-30. Incidental expenses including administration, engineering fees, legal fees, and all other costs associated with the extended services may also be included.

When CSA M-30 was formed, a financial analysis was performed to provide the framework for an operating budget for the proposed services. This analysis was based on the estimated expenses for each service component (police, parks, roadside landscape, street maintenance, and street lighting). Revenues collected from the benefit assessment or service charge shall be used only for the expenditures represented in this report. Any balance remaining on July 1 at the end of the fiscal year must be carried over to the next fiscal year.

CSA M-30 Alamo Springs-Danville Fund 249900 Org 7499	FY 2022-2023 Est YE Total	FY 2023-2024 Budget
Fund Balance as of June 30:	\$ 85,885.41	\$ 109,000.00
Revenue		
Taxes and Assessments	\$ 61,502.40	\$ 66,059.20
TOTAL CURRENT REVENUE	\$ 147,387.81	\$ 175,059.20
Expenditures		
Publications & Legal Notices	\$ (450.00)	\$ (1,000.00)
Professional/Specialized Svcs (Non-County)	\$ (2,272.50)	\$ (3,000.00)
Professional/Specialized Svcs (Non-County)	\$ (31,346.80)	\$ (36,000.00)
Other Special Dept Expense	\$ (646.07)	\$ (1,000.00)
Taxes & Assessments	\$ (284.00)	\$ (1,000.00)
Transfer CSA M-30 to CSA L-100	\$ (388.44)	\$ (1,000.00)
Reimbursements - Gov/Gov (County Staff)	\$ (3,000.00)	\$ (5,000.00)
TOTAL CURRENT EXPENDITURES	\$ (38,387.81)	\$ (48,000.00)
Capital Improvement Projects and Reserves		
Capital Improvement Projects	\$ (89,806.10)	\$ (103,059.20)
Operating Reserves (up to 50% of Expenditures)	\$ (19,193.91)	\$ (24,000.00)
TOTAL Capital Improvement Projects and Reserves	\$ (109,000.00)	\$ (127,059.20)
AVAILABLE SURPLUS FOR ENSUING YEAR	\$ -	\$ -

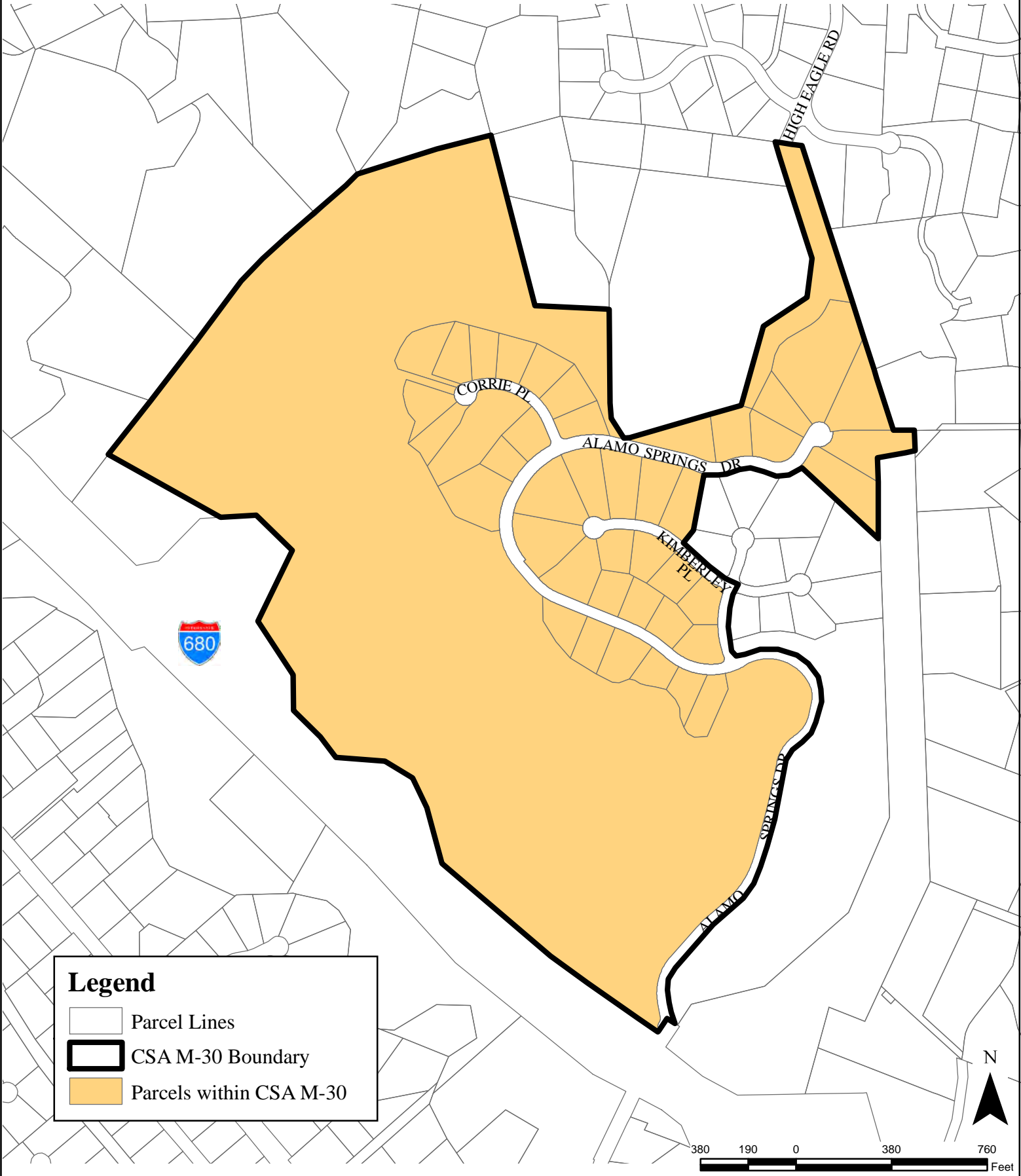
(*) The shown Projected Fund Balance as of June 30, 2023 assumes that Operating and Future Maintenance/Capital Improvement Reserves will not be used in FY 2022-2023.

BOUNDARY MAP

The general boundaries of the CSA are shown herein. The lines and dimensions of each parcel within the CSA are those lines and dimensions shown on the maps of the Contra Costa County Assessor for the year in which this report was prepared and are incorporated by reference herein and made part of this report.

A copy of the Boundary Map is shown on the following page.

Contra Costa County Service Area (CSA) M-30 (Alamo Springs) Boundary Map



METHOD OF APPORTIONMENT

Special vs. General Benefit

On November 5, 1996, California voters approved Proposition 218 entitled "Right to Vote On Taxes Act" which added Articles XIII C and XIII D to the California Constitution. While its title refers only to taxes, Proposition 218 establishes new procedural requirements for fees, charges, and benefit assessments.

Proposition 218 procedures stipulate that even if charges or benefit assessments are initially exempt from Proposition 218, future increases in the charges or benefit assessments must comply with the provisions of Proposition 218. However, if future increases in the charge or benefit assessment were anticipated in the charge or benefit assessment formula when approved by property owners (e.g., consumer price index increases or a predetermined cap) then the future increase in the charge or benefit assessment would be in compliance with the intent and provisions of Proposition 218.

Proposition 218 provides that "only special benefits are assessable" and defines a special benefit as a particular and distinct benefit conferred on real property and not a general benefit received by the public at large. The extended public services provided within CSA M-30 are deemed a special benefit and only serve the parcels located within the boundaries of the District. Without the services, the homes located in the unincorporated area would receive standard County police services, limited park and roadside landscape services, limited public street maintenance, and no County public street lighting. Standard County police services are characterized by 1.1 officers per 1,000 residents, and traffic enforcement would be provided by the California Highway Patrol on an as requested basis. Therefore, the services in CSA M-30 are 100% special benefit to the parcels within the CSA.

Methodology

The total operation and maintenance costs for the extended public services are apportioned in accordance with the methodology that is consistent with standard practices.

Since the service charge is levied on the owners of properties as shown on the tax rolls, the final charges must be assigned by Assessor's Parcel Number. The parcels of the Project that make up CSA M-30 are all designated for residential use. The project's Covenants, Conditions and Restrictions (CC&R's) require that most parcels be developed with a main residential unit of at least 3,500 square feet. While the parcel sizes vary, they all have substantially the same size building pads. It is anticipated that homes built on these lots will be similar in size and that the size of families who live in these homes will be similar. For these reasons, the need for, and the use of each of the services (miscellaneous police, park and roadside landscaping maintenance, public street maintenance and County public street lighting) will be substantially the same for each parcel. Therefore, the same service charge will be levied on each developed parcel within CSA M-30. In order for a parcel to be classified as developed, a building permit must be issued prior to April 30.

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The methodology for calculating the service charge per parcel for each of the services is similar. In Fiscal Year 1997-98 the service charge per parcel was set at \$467.13 per parcel. To determine the cost per parcel, the total budget for providing service to the current service area was divided by the total number of parcels or units within the current service area. Please refer to Contra Costa County Resolution 1998-235 for a detailed report that includes the initial calculation of this service charge.

The maximum service charge may be adjusted annually to reflect the prior year's change in the Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose plus two percent (2%). The base CPI index used in annual calculations began with April 1997 (159.6). However, starting in Fiscal Year 2010-2011, the annual CPI was changed to February for administrative purposes and the annual change in the February CPI shall be used in each subsequent year. Any change in the rate per developed parcel, which is the result of the change in the CPI shall not be deemed an increase in the service charge subject to the requirements of Proposition 218.

Rate

For Fiscal Year 2022-2023 the allowed maximum rate was \$1,537.57 per developed parcel. The Fiscal Year 2023-2024 rate has been calculated as follows:

\$1,537.57 per developed parcel in Fiscal Year 2022-2023
+5.30% CPI increase for Fiscal Year 2023-2024 = \$1,619.10
+2.00% increase for Fiscal Year 2023-2024 = \$1,651.48.

In Fiscal Year 2023-2024, it has been determined that, based upon projected expenditures, the maximum rate of \$1,651.48 is to be collected. It is estimated \$66,059.20 in revenue will be needed to provide the services referenced above in Fiscal Year 2023-2024. There are 40 parcels that have had a building permit issued. If you divide \$66,059.20 by 40 homes, the service charge per parcel is \$1,651.48. The charge per parcel may vary slightly due to rounding adjustments.

SERVICE CHARGE ROLL

A list of those parcels to be charged for Fiscal Year 2023-2024, including a description of each parcel to be charged is shown on the following page.

SERVICE CHARGE ROLL
FISCAL YEAR 2023-2024

Assessor Parcel Number	Added to Roll	Property Address	Lot Number	Fiscal Year 2023-2024 Amount
197-050-029	2008	333 CORRIE PL	38	\$1,651.48
197-440-005	2000	32 KIMBERLY PL	17	\$1,651.48
197-440-006	2002	30 KIMBERLY PL	18	\$1,651.48
197-440-007	2004	28 KIMBERLEY PL	19	\$1,651.48
197-440-008	2004	26 KIMBERLY PL	20	\$1,651.48
197-440-009	2001	24 KIMBERLY PL	21	\$1,651.48
197-440-010	2001	22 KIMBERLY PL	22	\$1,651.48
197-440-011	2002	120 ALAMO SPRINGS	23	\$1,651.48
197-440-012	2013	122 ALAMO SPRINGS	24	\$1,651.48
197-440-013	2013	124 ALAMO SPRINGS	25	\$1,651.48
197-440-014	2014	115 ALAMO SPRINGS	26	\$1,651.48
197-440-015	2013	117 ALAMO SPRINGS	27	\$1,651.48
197-440-016	2013	119 ALAMO SPRINGS	28	\$1,651.48
197-440-017	2015	121 ALAMO SPRINGS	29	\$1,651.48
197-440-018	2013	123 ALAMO SPRINGS	30	\$1,651.48
197-440-019	2014	125 ALAMO SPRINGS	31	\$1,651.48
197-450-003	2001	33 KIMBERLEY PL	16	\$1,651.48
197-450-004	2006	131 ALAMO SPRINGS	32	\$1,651.48
197-450-005	2013	133 ALAMO SPRINGS	33	\$1,651.48
197-450-006	2002	135 ALAMO SPRINGS	34	\$1,651.48
197-450-007	2016	330 CORRIE PL	35	\$1,651.48
197-450-008	2014	331 CORRIE PL	36	\$1,651.48
197-450-009	2014	332 CORRIE PL	37	\$1,651.48
197-450-010	2001	334 CORRIE PL	39	\$1,651.48
197-450-011	2000	335 CORRIE PL	40	\$1,651.48
197-450-012	2001	336 CORRIE PL	41	\$1,651.48
197-450-013	2008	337 CORRIE PL	42	\$1,651.48
197-450-014	2001	338 CORRIE PL	43	\$1,651.48
197-450-015	2002	339 CORRIE PL	44	\$1,651.48
197-450-016	2001	340 CORRIE PL	45	\$1,651.48
197-460-008	2003	25 KIMBERLY PL	12	\$1,651.48
197-460-009	2003	27 KIMBERLY PL	13	\$1,651.48
197-460-010	2001	141 ALAMO SPRINGS	46	\$1,651.48
197-460-011	2015	143 ALAMO SPRINGS	47	\$1,651.48
197-460-012	2001	147 ALAMO SPRINGS	48	\$1,651.48
197-460-013	2001	149 ALAMO SPRINGS	49	\$1,651.48
197-460-014	2014	151 ALAMO SPRINGS	50	\$1,651.48
197-460-015	2001	152 ALAMO SPRINGS	51	\$1,651.48
197-460-016	2006	150 ALAMO SPRINGS	52	\$1,651.48
197-460-017	2001	148 ALAMO SPRINGS	53	\$1,651.48
40 Parcels			Total Revenue:	\$66,059.20