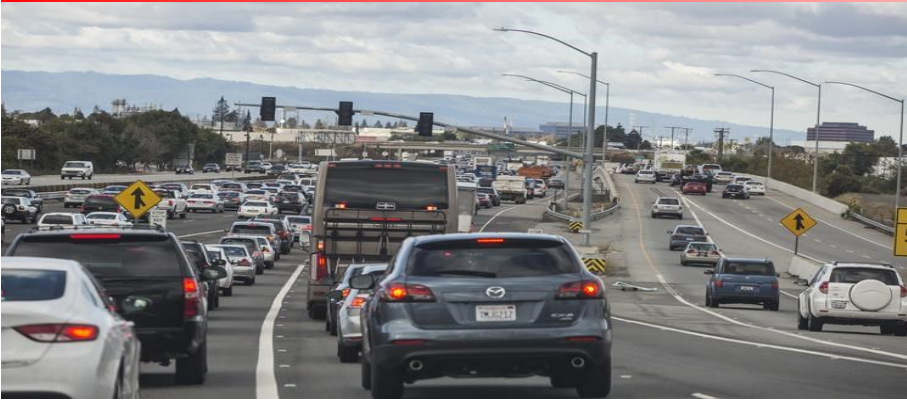




# COUNTY OF SANTA CLARA ROADS & AIRPORTS COUNTY LIGHTING SERVICE AREA ASSESSMENT



**Fiscal Year 2020-21  
Assessment Report**

May 12, 2020

Prepared by:  
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SANTA CLARA COUNTY LIGHTING SERVICE AREA ASSESSMENT

FISCAL YEAR 2020-21

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Governing Board

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Roads and Airports Department,  
Senior Civil Engineer, Land Development & Permits

James R. Williams  
County Counsel

*Francisco & Associates, Inc.*  
Assessment Engineer

ASSESSMENT REPORT

SANTA CLARA COUNTY LIGHTING SERVICE AREA ASSESSMENT

FISCAL YEAR 2020-21

The undersigned, acting on behalf of Francisco & Associates, Inc., respectfully submits the enclosed Assessment Report as directed by the Governing Board of the Santa Clara County Lighting Service Area pursuant to the provisions of Article XIII D, Section 4 of the California Constitution. The undersigned certifies that he is a Professional Engineer, registered in the State of California.

Dated: April 20, 2020



By: Eduardo R. Espinoza, P.E.  
RCE No. 83709

I HEREBY CERTIFY that the enclosed Assessment Report, together with the Assessment Roll thereto attached, was filed with me on the 12<sup>th</sup> day of May, 2020.

Clerk, Board of Supervisors  
County of Santa Clara  
Santa Clara County, California

By:  Asst. Clerk

I HEREBY CERTIFY that the enclosed Assessment Report, together with the Assessment Roll thereto attached, was approved and confirmed by the Governing Board of the Santa Clara County Lighting Service Area, California, on the 2<sup>nd</sup> day of June, 2020.

Clerk, Board of Supervisors  
County of Santa Clara  
Santa Clara County, California

By:  Asst. Clerk

SECTION I  
INTRODUCTION  
ASSESSMENT REPORT

SANTA CLARA COUNTY LIGHTING SERVICE AREA ASSESSMENT  
FISCAL YEAR 2020-21

***Background Information***

The street lighting improvements that are located within the unincorporated areas of Santa Clara County have been installed to serve the parcels that are located within the County Lighting Service Area. After installation of the street lights, the property owners have been charged for the ongoing operation and maintenance costs associated with those street lights. In past years (FY 1998-99 and prior), the assessment had been composed of a base assessment amount and an ad-valorem assessment amount. The Authority to levy this assessment was approved by the County of Santa Clara Board of Supervisors through the adoption of Chapter 5, of Division A-14, of the County of Santa Clara Ordinance Code.

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. Although its title refers only to taxes, Proposition 218 established new procedural requirements for the formation and administration of assessment districts.

Due to the passage of Proposition 218, the said ordinance was modified in 1999 to ensure that future assessments will be levied on parcels based upon the special benefit they receive. The revised ordinance requires the preparation of an Assessment Report each subsequent fiscal year in which assessments are proposed to be levied.

In order to comply with the requirements of Proposition 218, the County of Santa Clara Board of Supervisors implemented the following procedures:

- 1) The Board of Supervisors held a Public Meeting on March 28, 2000 to accept the Preliminary Assessment Report, and held a Public Meeting on April 18, 2000 to call for the election and set the Public Hearing for June 27, 2000.
- 2) In May of 2000, every property owner subject to the assessment received a ballot in the mail allowing the property owner to vote on whether to ratify the County Lighting Service Area Assessment. This ratification also included an allowance for future increases in the annual assessment based upon the prior year's change in the Consumer Price Index (CPI) – Urban Wage Earners and Clerical Workers for the San Francisco/Oakland/San Jose area not to exceed 3%. A public notice describing the total assessment, the individual property owner's assessment, the reason for the assessment, and the general basis upon which the assessment is calculated accompanied the ballots.

- 3) The ballots that were returned during the period 45 days after mailing and before the close of the public input portion of the public hearing were tabulated to determine whether a majority protest against the assessment existed. The ballots were weighted by the proportional assessment amount. In other words, ballots cast by property owners with higher assessments counted more than ballots cast by property owners with lower assessments.
- 4) Publicly owned properties (generally those which are developed similar to commercial/industrial use, as opposed to open space) are now assessed.
- 5) At the June 27<sup>th</sup> Public Hearing, ballots were tabulated for each Benefit Zone and it was found that the property owners returning ballots in favor of the assessment represented more than 50% (weighted by assessment amount) in twelve (12) of the thirteen (13) Benefit Zones. The assessments were approved for levy in the twelve (12) approved Benefit Zones (Zones 1 and 3 through 13) for Fiscal Year 2000-01 and following. The assessments for Benefit Zone 2 were not approved and were not levied in FY 2000-01, and will not be levied in future years.
- 6) At the conclusion of the Public Hearing, the Board of Supervisors adopted a resolution, accepting the certification of the ballot results and confirming the levy of assessments in each of the twelve (12) approved Benefit Zones for FY 2000-01. Following the adoption of this resolution, the final Assessor's roll was prepared and filed with the County Tax Collector's office to be included on the FY 2000-01 tax roll.

In subsequent years the annual assessment levies will not need to have property owner approval unless the assessments are under consideration to be increased. Assessments are not considered increased if they comply with a property owner approved formula that has an annual escalator or maximum assessment cap.

### ***Current Annual Administration***

County Ordinance Code Section A14-33 specifies that each fiscal year the Governing Board of the Santa Clara County Lighting Service Area will require staff to prepare an Assessment Report, which shall contain a description of each parcel of real property receiving street lighting service from the County Lighting Service Area Assessment, and the amount of assessment for each parcel in accordance with the assessment methodology referred to in the Assessment Report. The Assessment Report shall be submitted to the Governing Board of the Santa Clara County Lighting Service Area on or before May 15<sup>th</sup> of each year and filed with the Clerk of the Board of Supervisors. A Public Hearing will be set by the Clerk of the Board as provided in Section 6066 of the California Government Code. At the Public Hearing the Governing Board of the Santa Clara County Lighting Service Area will hear testimony from the public regarding the assessment levy. At the conclusion of the Public Hearing, the Governing Board of the Santa Clara County Lighting Service Area may adopt, revise, change, reduce or modify any assessment and shall make its determination upon each assessment as described in the Assessment Report and may adopt a resolution authorizing the levy of assessments for the ensuing fiscal year.

For Fiscal Year 2020-21, this Assessment Report has been prepared to provide the following information:

- 1) A detailed listing of the improvements to be operated and maintained;
- 2) A boundary diagram indicating the properties that receive a special and direct benefit from the improvements (on file with the Planning, Land Development and Survey Unit in the County of Santa Clara Roads and Airports Department and posted on the web at [www.countyroads.org](http://www.countyroads.org));
- 3) A detailed budget for the operation and maintenance of the improvements;
- 4) The method for spreading the operation and maintenance costs of the improvements to the benefiting properties;
- 5) A listing of the individual assessments by Assessor Parcel Number.

The Governing Board of the Santa Clara County Lighting Service Area will hold a Public Hearing on June 2, 2020 to provide an opportunity for any interested person to be heard. At the conclusion of the Public Hearing, the Governing Board of the Santa Clara County Lighting Service Area may adopt a resolution confirming the levy of assessments as originally proposed or as modified. Following the adoption of this resolution, the Final Assessor's Roll will be prepared and filed with the County Tax Collector's Office, to be included on the Fiscal Year 2020-21 tax roll.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the County Lighting Service Area Assessment must be placed in a special fund and can only be used for the purposes stated within this Assessment Report.

SECTION II

ASSESSMENT REPORT PREPARED PURSUANT TO THE PROVISIONS  
CHAPTER 5, OF DIVISION A-14, OF THE  
COUNTY OF SANTA CLARA ORDINANCE CODE

SANTA CLARA COUNTY LIGHTING SERVICE AREA ASSESSMENT

FISCAL YEAR 2020-21

Pursuant to Chapter 5, of Division A-14, of the County of Santa Clara Ordinance Code, the County Board of Supervisors on May 12, 2020 received the Preliminary Assessment Report in connection with the proceedings for:

COUNTY OF SANTA CLARA  
COUNTY LIGHTING SERVICE AREA ASSESSMENT

Hereinafter referred to as the "County Lighting Service Area Assessment", I, Eduardo R. Espinoza, the duly appointed ENGINEER OF WORK, submit herewith the "Report" consisting of five (5) parts as follows:

PART A: PLANS AND SPECIFICATIONS

This part describes the improvements that will be operated and maintained within the County Lighting Service Area Assessment. Plans and specifications for the operation and maintenance of the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the Clerk of the Board for the County of Santa Clara, and are incorporated herein by reference.

PART B: ESTIMATE OF COST

This part contains an estimate of the operational and maintenance costs of the proposed improvements, including incidental costs and expenses in connection therewith, and it is set forth on the lists thereof, attached hereto, and is on file in the Office of the Clerk of the Board for the County of Santa Clara.

PART C: COUNTY LIGHTING SERVICE AREA ASSESSMENT DIAGRAM

This part incorporates, by reference, a Diagram of the County Lighting Service Area Assessment. The diagram shows the exterior boundaries of the County Lighting Service Area Assessment, the boundaries of any zones within the County Lighting Service Area Assessment, and the lines and dimensions of each lot or parcel of land within the County Lighting Service Area Assessment. This Diagram has been prepared by the County of Santa Clara Roads and Airports Department and is on file in the Planning, Land Development and Survey Unit of the County of Santa Clara Roads and Airports Department. The Diagram is incorporated in this Assessment Report by



reference. The lines and dimensions of each lot or parcel within the County Lighting Service Area Assessment are those lines and dimensions shown on the maps of the Assessor of the County of Santa Clara for the year when this Assessment Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Assessment Report.

**PART D: METHOD OF APPORTIONMENT OF ASSESSMENT**

This part describes the method of apportionment of the assessment, based upon parcel classification of land within the County Lighting Service Area Assessment, in proportion to the estimated benefits to be received.

**PART E: PROPERTY OWNER LIST and ASSESSMENT ROLL**

This part contains a list of the County of Santa Clara Assessor's parcel numbers, and the net amount to be assessed upon benefited lands within the County Lighting Service Area Assessment for FY 2020-21. The Assessment Roll is filed in the Office of the Clerk of the Board for the County of Santa Clara and is incorporated in this Assessment Report by reference as Appendix "A". The list is keyed to the records of the Assessor of the County of Santa Clara, which are incorporated herein by reference.

PART A

PLANS AND SPECIFICATIONS

The facilities, which have been constructed within the Santa Clara County Lighting Service Area Assessment boundaries, and those which may be subsequently constructed, will be operated, maintained and serviced as generally described as follows:

DESCRIPTION OF SERVICES  
COUNTY OF SANTA CLARA  
COUNTY LIGHTING SERVICE AREA ASSESSMENT  
FISCAL YEAR 2020-21

The following improvements are proposed to be operated, maintained, and serviced in the Santa Clara County Lighting Service Area Assessment for Fiscal Year 2020-21:

*The installation, maintenance and servicing of public street lighting facilities located within the public right-of-way within the County Lighting Service Area Assessment.*

The street lighting system includes, but is not limited to, poles, fixtures, bulbs, conduits, guys, anchors, posts, pedestals, metering devices and any other appurtenant improvements needed to provide street lighting within the boundaries of the County Lighting Service Area Assessment.

Maintenance means the furnishing of services and materials for the ordinary and usual operations, maintenance and servicing of street lighting and appurtenant facilities, including repair, removal or replacement of all or part of any street lighting, or appurtenant facilities. Servicing means the maintenance of any street lighting facilities or appurtenant facilities including personnel costs and the furnishing of electric current or energy, gas or other illuminating agent for the street lighting, or appurtenant facilities.

The plans and specifications for the operation and maintenance of the improvements are on file in the Office of the Clerk of the Board for the County of Santa Clara.

PART B

ESTIMATE OF COST

The total cost of installation, construction, operation, maintenance and servicing of street lighting can be recovered by the County Lighting Service Area Assessment. Maintenance can include the repair and replacement of existing facilities. Servicing can include electrical and associated costs from a public utility. Incidental expenses, including administration of the County Lighting Service Area Assessment, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual collection process can also be included.

The operation, maintenance and servicing costs for Fiscal Year 2020-21 are summarized below. These cost estimates were provided by the County of Santa Clara Roads and Airports Department.

Table 1 County Lighting Service Area FY 2020-21 Budget	
Projected Balance as of June 30, 2020 (including reserve)	\$774,983
Estimated FY 2020-21 Assessments*	\$304,899
Estimated Interest Earnings	\$4,000
<b>Estimated FY 2020-21 Revenue</b>	<b>\$1,083,882</b>
<b>Estimated Operating Expenses</b>	
PG&E Charges (Electricity for all Lights and Maintenance for all PG&E Owned Lights)	\$220,000
Maintenance of County-owned Street Lights	\$52,000
Land Development Services	\$5,000
Professional Consulting Services	\$60,000
Intra-county Professional Services (Data Processing, Legal, Tax Collection, Printing, etc.)	\$10,000
<b>Subtotal</b>	<b>\$347,000</b>
<b>Capital Improvement Projects</b>	
LED Upgrades for County-owned street lights	\$250,000
<b>Estimated FY 2020-21 Expenditures</b>	<b>\$597,000</b>
Projected Balance as of June 30, 2021	\$486,882

The total estimated FY 2020-21 expenses for the CLSA is approximately \$597,000 for 1,222 residential lights and 66 commercial lights. The projected fund balance as of June 30, 2020 is estimated to be \$774,983. Because the CLSA receives the FY 2020-21 assessments revenue in late December 2020 and late April 2021, the CLSA needs to ensure it has at least 50% operating reserves to cover the operating expenses from July 1, 2020 through December 31, 2020. For FY 2020-21 the operating reserves needed for this six-month period are estimated to be \$173,500. In

In addition to the operating reserve, there is an administrative policy to maintain a capital reserve equal to 50% of the capital replacement costs of the County-owned lights to provide for eventual replacement of aging street light infrastructure. The remaining fund balance provides for this capital reserve.

Because the County Lighting Service Area consists of non-contiguous unincorporated areas of the county and because there are variations in the lighting levels throughout these unincorporated areas, the affected property owners requested that the County establish Benefit Zones so that property owners in areas that support street lighting will continue to have the opportunity to keep their street lighting. Therefore, thirteen (13) Benefit Zones were created and twelve (12) Benefit Zones were approved. Benefit Zone 2 was not approved and the street lights within that area are not operated and maintained by the County of Santa Clara Roads and Airports Department.

In addition, all of the parcels located within Benefit Zone 12 have been annexed into the City of San Jose as of FY 2010-11. Therefore, all future annual operation and maintenance costs for the street lights located within Benefit Zone No. 12 are the responsibility of the City of San Jose and these parcels are no longer assessed.

The following table summarizes the assessments by Benefit Zone:

Table 2 County Lighting Service Area Total FY 2020-21 Assessments by Benefit Zone				
Benefit Zone	Level 1 Lighting	Level 2 Lighting	Level 3 Lighting	Total Annual Assessments
Benefit Zone No. 1	\$5,322.06	\$3,546.62	\$0.00	\$8,868.68
Benefit Zone No. 2	\$0.00	\$0.00	\$0.00	\$0.00
Benefit Zone No. 3	\$7,427.04	\$6,180.52	\$0.00	\$13,607.56
Benefit Zone No. 4	\$10,604.26	\$21,829.12	\$0.00	\$32,433.38
Benefit Zone No. 5	\$2,194.33	\$4,623.39	\$0.00	\$6,817.72
Benefit Zone No. 6	\$3,890.62	\$8,858.02	\$0.00	\$12,748.64
Benefit Zone No. 7	\$3,788.14	\$11,933.12	\$0.00	\$15,721.26
Benefit Zone No. 8	\$31,135.36	\$78,854.44	\$0.00	\$109,989.80
Benefit Zone No. 9	\$3,944.22	\$8,079.48	\$0.00	\$12,023.70
Benefit Zone No. 10	\$6,989.79	\$9,948.39	\$0.00	\$16,938.18
Benefit Zone No. 11	\$17,946.70	\$22,268.05	\$30,322.81	\$70,537.56
Benefit Zone No. 12	\$0.00	\$0.00	\$0.00	\$0.00
Benefit Zone No. 13	\$473.06	\$1,419.18	\$3,320.36	\$5,212.60
<b>Total</b>	<b>\$93,715.58</b>	<b>\$177,540.33</b>	<b>\$33,643.17</b>	<b>\$304,899.08</b>

A special fund has been set up for the revenues and expenditures for each Benefit Zone within the County Lighting Service Area Assessment. Funds raised by the assessment shall be used only for the purpose as stated within this report. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future operation and maintenance reserves.

PART C

COUNTY LIGHTING SERVICE AREA ASSESSMENT DIAGRAM

The County Lighting Service Area Assessment Diagram showing the exterior boundaries and special Benefit Zones of the County Lighting Service Area Assessment is on file with the Clerk of the Board for the County of Santa Clara and at the office of the Roads and Airports Department. The parcels of land which have been determined to be within the boundaries of the County Lighting Service Area Assessment are those parcels shown on the assessment roll for the County Lighting Service Area Assessment. The lines and dimensions of each lot or parcel of land within the County Lighting Service Area Assessment are those lines and dimensions shown on the maps of the Assessor of the County of Santa Clara that support the secured tax roll for Fiscal Year 2020-21. The Assessor's parcel maps and records are incorporated by reference herein and made part of this Assessment Report.

## PART D

### METHOD OF APPORTIONMENT OF ASSESSMENT

#### GENERAL

Chapter 5, of Division A-14, of the County of Santa Clara Ordinance Code, permits the establishment of assessment districts for the purpose of providing certain public services, which include the construction, operation, maintenance and servicing of street lighting improvements.

Chapter 5, of Division A-14, of the County Ordinance Code, requires that the assessments must be levied in accordance with special benefit. In addition, Article XIID, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Because assessments are levied on the basis of benefit, they are not considered to be a tax governed by Article XIIA of the California Constitution.

Chapter 5, of Division A-14, of the County Ordinance Code permits the designation of special Benefit Zones within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements".

Article XIID provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-way, public greenbelts and public parkways, and that portion of public property that is not developed and used for business purposes similar to private commercial, industrial and institutional activities.

#### STREET LIGHTING BENEFIT DETERMINATION

The proper functioning of street lighting throughout each Benefit Zone provides special benefits to each property within their respective Benefit Zone. There are no general benefits associated with the street lighting improvements - only special benefits to the properties within each respective Benefit Zone. These special benefits include enhanced lighting for pedestrian and vehicular access to and from the properties within each Benefit Zone. In addition, the proper operation, maintenance, and servicing of a street lighting system benefits properties by providing additional security and reducing the possibility of vandalism to property during nighttime hours.

COUNTY LIGHTING SERVICE AREA ASSESSMENT BOUNDARY

The County Lighting Service Area Assessment includes parcels of land within the unincorporated limits of Santa Clara County that benefit from street lights located along public streets. The County Lighting Service Area Assessment boundaries, including the individual Benefit Zones, is on file with the Clerk of the Board for the County of Santa Clara and at the office of the Roads and Airports Department. The County of Santa Clara Assessor’s Parcel Numbers, for the current fiscal year, on the attached Assessment Roll in Appendix “A”, identifies all included parcels. A detailed description of lines and dimensions for various lots or parcels within the County Lighting Service Area Assessment are incorporated by reference to the Assessor’s parcel maps on file at the County of Santa Clara Assessor’s Office.

LEVELS OF SERVICE

Because there are varying degrees of existing street lighting within each Benefit Zone, three (3) separate and distinct Levels of Service have been created. Level of Service No. 1 includes all parcels that receive special benefit from intersection and cul-de-sac street lighting only. Level of Service No. 2 includes all parcels that receive special benefit from intersection, cul-de-sac and mid-block (street light spaced approximately 300 to 500 ft. apart along a street) street lighting. Level of Service No. 3 includes all parcels that receive special benefit from intersection, cul-de-sac, mid-block and mid-mid block (street light spaced less than 300 ft. apart along a street) street lighting. Based upon these three (3) Levels of Service, we have identified the number of street lights associated with each Level of Service for each Benefit Zone as shown below:

Table 3 County Lighting Service Area Number of Street Lights per Benefit Zone								
Benefit Zone	No. of Level 1 Lights (Inter. & Cul-de-sac Only)		No. of Level 2 Lights (Mid Block Only)		No. of Level 3 Lights (Mid-Mid Block Only)		Total No. of Lights	
	Residential	Commercial	Residential	Commercial	Residential	Commercial		
Benefit Zone No. 1	20	0	13	0	0	0	33	
Benefit Zone No. 2	0	0	0	0	0	0	0	
Benefit Zone No. 3	17	1	37	2	0	0	57	
Benefit Zone No. 4	25	3	101	2	0	0	131	
Benefit Zone No. 5	13	1	46	8	0	0	68	
Benefit Zone No. 6	11	2	32	3	0	0	48	
Benefit Zone No. 7	14	1	54	0	0	0	69	
Benefit Zone No. 8	102	1	339	9	0	0	451	
Benefit Zone No. 9	17	1	53	0	0	0	71	
Benefit Zone No. 10	21	0	41	0	0	0	62	
Benefit Zone No. 11	64	6	32	1	170	3	276	
Benefit Zone No. 12	0	0	0	0	0	0	0	
Benefit Zone No. 13	0	4	0	0	0	18	22	
<b>Total</b>	<b>304</b>	<b>20</b>	<b>748</b>	<b>25</b>	<b>170</b>	<b>21</b>	<b>1,288</b>	



## ASSESSMENT METHODOLOGY/BENEFIT NEXUS

To establish the special benefit to the individual parcels based upon their varying land use, parcel size and degree of street light illumination, a Benefit Unit (BU) system was established. The Benefit Unit system is comprised of two (2) components; Equivalent Dwelling Units and Benefit Factors. Once these two (2) components for each parcel have been determined, the Benefit Units for each parcel can be calculated as described below.

### **Equivalent Dwelling Units**

The Equivalent Dwelling Unit (EDU) factor portion of the benefit assessment spread methodology takes into consideration the type of use of the parcel and the size of the parcel. Each parcel has its current land use identified under the current listing of Generalized Land Use Codes prepared by the County of Santa Clara Assessor's office at the time this Assessment Report was prepared. Please refer to Appendix "B" for a listing of the Generalized Land Use Codes and their associated Equivalent Dwelling Unit calculation.

The single-family residential parcel has been selected as the basic unit for the calculation of assessment since it represents approximately 90% of the parcels within the County Lighting Service Area Assessment. Therefore, the single-family residential parcel is defined as one Equivalent Dwelling Unit (EDU). The methodology used to assign EDUs to the other parcels with different land uses is in proportion to the benefit they receive relative to the single-family residential parcel and is summarized below.

### **Single-Family Parcels**

Since the single-family residential parcel represents approximately 90% of the total parcels within the County Lighting Service Area Assessment, it is used as the basic unit and is defined as 1.00 EDU. Single-family residential parcels are defined as parcels that have a generalized land use classification as single-family residential with the County of Santa Clara Assessor's Office and are located within the boundaries of the County Lighting Service Area Assessment.

### **Condominium Parcels**

Condominium parcels are allocated 0.75 EDUs per parcel due to the reduced population density per parcel and the reduced size of structure relative to the typical single-family residence. Condominium parcels are defined as parcels that have a land use classification as condominium or townhouse with the County of Santa Clara Assessor's Office and are located within the boundaries of the County Lighting Service Area Assessment.

### **Multi-Family Parcels**

Multi-family residential parcels are allocated 0.50 EDUs per unit due to the reduced population density per multi-family unit and the reduced size of structure relative to the typical single-family residence. Multi-family parcels are defined as parcels that have a land use classification as multi-family, which includes duplexes, triplexes, apartments, and co-ops with the County of Santa Clara Assessor's Office and are located within the boundaries of the County Lighting Service Area Assessment.

**Commercial, Industrial, Institutional and Non-Manufacturing and Manufacturing Parcels**

To convert a non-residential property to EDUs, it is necessary to equate the single-family residential parcels to the non-residential parcels. The average number of single-family residential parcels per acre within the boundaries of the County Lighting Service Area Assessment are estimated to be six (6) single-family residential parcels per acre. Therefore, in order to equate non-residential property to that of a single-family residential parcel, all commercial, industrial, institutional and manufacturing parcels will be assessed 6.00 EDUs per acre with a minimum of 1.00 EDU per parcel.

**Public and Quasi Public Parcels**

Public property that is developed and used for business purposes similar to private commercial, industrial, institutional and manufacturing activities will be assessed at the same rate as commercial, industrial, institutional or manufacturing parcels. This rate is 6.00 EDUs per acre.

**Undeveloped Parcels**

All undeveloped properties are those parcels that have no improvements constructed thereon and have a land use classification as vacant with the County of Santa Clara Assessor's Office or agricultural parcels without a residential structure and located within the boundaries of the County Lighting Service Area Assessment. Vacant land will be assessed at 0.50 EDUs per parcel. Vacant properties receive a reduced benefit from street lighting because they generate less pedestrian and vehicular traffic, however they still benefit from having existing street lighting in place in the event they were to develop.

**Special Cases**

Three (3) non-residential areas had their assessments reduced to reflect their special benefit. Their assessments have been calculated by charging them for the actual number of street lights adjacent to their property.

**Exempt Parcels**

Exempted from the assessment would be public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-way, public greenbelts and public parkways, and that portion of public property that is not developed and not used for business purposes similar to private commercial, industrial, and institutional activities. In addition, public property used for transportation, communications, utilities, agricultural, and open land that is not developed or used for business purposes similar to private commercial are also exempt.

**BENEFIT FACTORS**

The degree of illumination and wattage of the luminary for street lights near non-residential parcels is greater than for street lights located near residential parcels. Since the benefit of street lighting varies with the type of use of the parcel (e.g. residential vs. non-residential), a Benefit Factor has been designated for the residential parcels and another for non-residential parcels. Based upon the costs to operate and maintain the residential and non-residential street lights, it appears that the non-residential street light costs are twice that of residential street lights. Therefore, we recommend that the following Benefit Factors be used for residential and non-residential parcels:

- Residential Benefit Factor: 1.00
- Non-Residential Benefit Factor 2.00

**Calculation of Benefit Units**

To calculate Benefit Units, the Equivalent Dwelling Units assigned to each parcel are multiplied by the Benefit Factor for its specific land use to determine the total number of Benefit Units for each parcel as shown below:

$$\text{EDUs} \times \text{Benefit Factor} = \text{Benefit Units}$$

For each Benefit Zone we have summarized the number of Benefit Units associated with each Level of Service within that Benefit Zone as shown below.

Table 4 County Lighting Service Area Total Benefit Units per Benefit Zone			
Benefit Zone	Level No. 1 - BUs	Level No. 2 - BUs	Level No. 3 - BUs
Benefit Zone No. 1	365.53	117.63	0.00
Benefit Zone No. 2	0.00	0.00	0.00
Benefit Zone No. 3	218.57	126.99	0.00
Benefit Zone No. 4	844.96	805.80	0.00
Benefit Zone No. 5	181.95	181.88	0.00
Benefit Zone No. 6	379.20	379.20	0.00
Benefit Zone No. 7	257.00	203.50	0.00
Benefit Zone No. 8	3,486.60	3,410.66	0.00
Benefit Zone No. 9	415.62	415.61	0.00
Benefit Zone No. 10	620.21	419.06	0.00
Benefit Zone No. 11	1,644.98	1,612.46	1,547.08
Benefit Zone No. 12	0.00	0.00	0.00
Benefit Zone No. 13	<u>606.49</u>	<u>603.91</u>	<u>603.70</u>
<b>Total</b>	<b>9,021.11</b>	<b>8,276.69</b>	<b>2,150.78</b>

MAXIMUM ASSESSMENT RATE CALCULATION

The maximum assessment rate per BU may be increased each fiscal year based on the prior year's change in the Consumer Price Index (CPI) – Urban Wage Earners and Clerical Workers for the San Francisco/Oakland/San Jose area. In accordance with the voter approved ballot, the annual maximum rate increase is limited to the CPI, not to exceed three percent (3%).

Last year's increase in CPI was 2.18% as calculated from December 31, 2018, through December 31, 2019. Therefore, the maximum rate can be increased by 2.18% from the previous fiscal year's maximum assessment rates as shown in the FY 2020-21 maximum rates indicated in Table 5 below.

Table 5 County Lighting Service Area Maximum FY 2020-21 Assessment Rates Per Benefit Zone			
Benefit Zone	Level No. 1 Assessment Rate per BU	Level No. 2 Assessment Rate per BU	Level No. 3 Assessment Rate per BU
Benefit Zone No. 1	\$15.77	\$48.43	N/A
Benefit Zone No. 2	N/A	N/A	N/A
Benefit Zone No. 3	\$36.80	\$89.52	N/A
Benefit Zone No. 4	\$13.60	\$42.94	N/A
Benefit Zone No. 5	\$13.07	\$40.60	N/A
Benefit Zone No. 6	\$11.11	\$36.42	N/A
Benefit Zone No. 7	\$15.97	\$79.48	N/A
Benefit Zone No. 8	\$9.67	\$34.72	N/A
Benefit Zone No. 9	\$10.28	\$31.34	N/A
Benefit Zone No. 10	\$12.20	\$37.92	N/A
Benefit Zone No. 11	\$11.82	\$26.78	\$48.01
Benefit Zone No. 12	N/A	N/A	N/A
Benefit Zone No. 13	\$0.85	\$3.40	\$9.35

Benefit Zone No. 13 consists of developed non-residential parcels which are assessed based upon each parcel's street frontage.

FY 2020-21 ASSESSMENT CALCULATION

In some previous years, the Governing Board determined that there was sufficient revenue to meet the estimated budget expenses and maintain adequate reserves without increasing the assessment rates to the maximum allowable rates as described in the section above. Although the assessment rates were not increased in these years, the basis for the maximum allowable rates continued to increase culminating in an 8.32% total allowable assessment increase for FY 2020-21.

The proposed assessment rates for FY 2020-21 will not be increased from the previous fiscal year's assessment rates for each Level of Service within all Benefit Zones. The FY 2020-21 assessment rates based on the total number of BUs for each Level of Service and Benefit Zone is shown in the following Table 6.

Table 6 County Lighting Service Area FY 2020-21 Assessment Rates Per Benefit Zone			
Benefit Zone	Level No. 1 Assessment Rate per BU	Level No. 2 Assessment Rate per BU	Level No. 3 Assessment Rate per BU
Benefit Zone No. 1	\$14.56	\$44.71	N/A
Benefit Zone No. 2	N/A	N/A	N/A
Benefit Zone No. 3	\$33.98	\$82.65	N/A
Benefit Zone No. 4	\$12.55	\$39.64	N/A
Benefit Zone No. 5	\$12.06	\$37.48	N/A
Benefit Zone No. 6	\$10.26	\$33.62	N/A
Benefit Zone No. 7	\$14.74	\$73.38	N/A
Benefit Zone No. 8	\$8.93	\$32.05	N/A
Benefit Zone No. 9	\$9.49	\$28.93	N/A
Benefit Zone No. 10	\$11.27	\$35.01	N/A
Benefit Zone No. 11	\$10.91	\$24.72	\$44.32
Benefit Zone No. 12	N/A	N/A	N/A
Benefit Zone No. 13	\$0.78	\$3.13	\$8.63

PART E

PROPERTY OWNER LIST AND ASSESSMENT ROLL

A list of names and addresses of the owners of all parcels within the County Lighting Service Area Assessment is shown on the last equalized Property Tax Roll of the Assessor of the County of Santa Clara, which by reference is made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the Office of the Clerk of the Board for the County of Santa Clara.

The proposed Assessments for Fiscal Year 2020-21 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, are on file in the Office of the Clerk of the Board for the County of Santa Clara. The description of each lot or parcel is part of the records of the Assessor of the County of Santa Clara and these records are, by reference, made a part of this Report.

The total proposed assessment for FY 2020-21 is approximately \$304,899.

APPENDIX "A"

FY 2020-21 ASSESSMENT ROLL

(ASSESSMENT ROLL IS ON FILE IN THE OFFICE OF THE  
CLERK OF THE BOARD OF THE COUNTY OF SANTA CLARA)

APPENDIX "B"  
GENERALIZED LAND USE CODES AND THEIR ASSOCIATED  
EQUIVALENT DWELLING UNITS



Appendix B  
Generalized Land Use Codes and Their Associated Equivalent Dwelling Units

County Use Code	Land Use	Classification	Benefit Class	EDU Allocation	Benefit Factor Allocation	Total Benefit Unit Allocation*
	<u>Residential Land Uses</u>					
01, 09	Single Family Residential	SFR	RES	1.00/parcel	1.00	1.00/parcel
06	Condominium, Townhouse	COND	RES	0.75/parcel	1.00	0.75/parcel
02-05, 07	Multi-Family Residential	MFR	RES	0.50/unit	1.00	0.50/unit
08	Mobile Home Parks	MHP	RES	0.50/unit	1.00	0.50/unit
	<u>Industrial Non-Manufacturing</u>					
10, 12, 14, 15, 16, 19	Miscellaneous Industrial	IND	NON-RES	6.00/acre	2.00	12.00/acre
11, 13, 17	Warehousing, Storage	WHS	NON-RES	6.00/acre	2.00	12.00/acre
18	Vacant Industrial Uses	VIND	NON-RES	0.50/parcel	2.00	1.00/parcel
	<u>Manufacturing</u>					
20-29	Miscellaneous Manufacturing	MAN	NON-RES	6.00/acre	2.00	12.00/acre
30, 32-33	Miscellaneous Manufacturing	MAN	NON-RES	6.00/acre	2.00	12.00/acre
31	Vacant Manufacturing Uses	VMAN	NON-RES	0.50/parcel	2.00	1.00/parcel
40	Industrial Condominium	MAN	NON-RES	6.00/acre	2.00	12.00/acre
	<u>Transportation, Communications &amp; Utilities</u>					
41, 42	Streets	UTI	NON-RES	6.00/acre	2.00	12.00/acre
43-46	Rail & Air Transportation	UTI	NON-RES	6.00/acre	2.00	12.00/acre
47	Pipelines	UTI	NON-RES	6.00/acre	2.00	12.00/acre
	<u>Shopping Centers &amp; Other Urban</u>					
50, 51	Department Stores	SHOP	NON-RES	6.00/acre	2.00	12.00/acre
52, 54, 57, 61	Commercial Stores, Markets, Shopping Centers, Service Stations	SHOP	NON-RES	6.00/acre	2.00	12.00/acre
53, 55, 56, 58, 59	Business Districts	SHOP	NON-RES	6.00/acre	2.00	12.00/acre
60	Parking Garage	URB	NON-RES	6.00/acre	2.00	12.00/acre
62-65, 68	Childcare, Recreational Facilities	URB	NON-RES	6.00/acre	2.00	12.00/acre
66, 67	Landfill & Mobile Homes in Parks <sup>1</sup>	URB	NON-RES	6.00/acre	2.00	12.00/acre
69	Vacant Urban	VURB	NON-RES	0.50/parcel	2.00	1.00/parcel
	<u>Public &amp; Quasi Public Buildings &amp; Uses</u>					
70, 71, 72, 74, 77	Universities & Schools	PUB	NON-RES	6.00/acre	2.00	12.00/acre
73	Major Hospitals	URB	NON-RES	6.00/acre	2.00	12.00/acre
75	Convalescent Hospitals	URB	NON-RES	6.00/acre	2.00	12.00/acre
76	Churches	URB	NON-RES	6.00/acre	2.00	12.00/acre
78	Outdoor Amphitheaters	URB	NON-RES	6.00/acre	2.00	12.00/acre
79	Camps, Campgrounds	URB	NON-RES	6.00/acre	2.00	12.00/acre
80-86, 88, 89	Parks, Playgrounds	PUB	NON-RES	6.00/acre	2.00	12.00/acre
87	Commercial Open Space, Parking	URB	NON-RES	6.00/acre	2.00	12.00/acre
	<u>Agricultural Property</u>					
90-99	Agriculture/Ranchland	AG	RES	1.00/parcel	1.00	1.00/parcel

\* Total Benefit Units = EDU \* Benefit Factor

<sup>1</sup> Mobile Home assessment calculations are covered under County Usecode 08