

Meeting Date: 6/4/2013

Report Type: Consent

Report ID: 2013-00150

Title: Annual Report for Assessment Districts formed under Sacramento City Code 3.124

Location: District 2, 4, 7, 8

Issue: Maintenance districts, formed under Sacramento City Code Section 3.124.190, are required to file an annual engineer's report describing the required maintenance work and associated costs in order to levy assessments.

Recommendation: Pass 1) a Resolution approving the Willowcreek Maintenance Assessment District Engineer's Annual Report and levying assessment for Fiscal Year (FY) 2013-14; 2) a Resolution approving the Northside Subdivision Maintenance District Engineer's Annual Report and levying assessment for FY 2013-14; 3) a Resolution approving the Laguna Creek Maintenance District Engineer's Annual Report and levying assessment for FY 2013-14; and 4) a Resolution approving the Water Quality Maintenance District Engineer's Annual Report and levying assessment for FY 2013-14.

Contact: Sheri Smith, Program Specialist, (916) 808-7204; Mark Griffin, Program Manager, (916) 808-8788, Department of Finance

Presenter: None

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
 - 2-Background
 - 3-Willowcreek Resolution
 - 4-Northside Resolution
 - 5-Laguna Creek Resolution
 - 6-Neighborhood Water Quality Resolution
-

City Attorney Review

Not Approved as to Form
Michael W. Voss
5/24/2013 2:57:33 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
John Colville
5/20/2013 8:28:57 AM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 5/22/2013 11:15:38 AM

Description/Analysis

Issue: Sacramento City Code Section 3.124.190 requires that the following maintenance districts present an annual budget to City Council:

- Willowcreek Maintenance Assessment District
- Northside Maintenance Assessment District
- Laguna Creek Maintenance District
- Neighborhood Water Quality District

The districts listed above (Districts) were formed to provide various maintenance and operations services such as street landscape, park, open space, drainage basin, and sound wall maintenance as well as water quality programs. More detailed descriptions of the services provided in each district are listed in the Background section of this report.

Approval of the Districts' annual budgets will authorize the City to collect assessments in the amount sufficient to provide funding for maintenance, operations, and water quality services required in each district for FY 2013-14.

Policy Considerations:

- **Willowcreek Maintenance Assessment District:** The recommended action supports Best Management Practices (BMPs) to reduce storm water pollution at the maximum extent possible as required by the Federal Clean Water Act and the City's National Pollutant Discharge Elimination System (NPDES) Permit within the district's boundaries.
- **Northside Maintenance Assessment District:** This action, consistent with Sacramento City Code requirements, supports BMPs to provide maintenance activities associated with the Northside Subdivision Wetlands Mitigation Program as required by the U.S. Army Corps of Engineers Permit for the Northside subdivision. The District also funds maintenance activities for the landscaped area adjacent to Marysville Boulevard.
- **Laguna Creek Maintenance District:** This action supports BMPs to provide funding for environmental monitoring and maintenance activities associated with the Laguna Creek Wetlands Mitigation Program as required by the U.S. Army Corps of Engineer's Permit.
- **Neighborhood Water Quality District:** This action supports BMPs to provide funding for maintenance of wetland areas identified in the U.S. Army Corps of Engineers' Nationwide Permits, Water Quality Swales and Detention areas, and landscaping improvements located in and/or adjacent to residential subdivisions in this district.

Economic Impacts: This report does not have direct economic impacts.

Environmental Considerations: Under California Environmental Quality Act Guidelines, annual proceedings of special districts do not constitute a project, and are therefore exempt from review.

Sustainability: There are no sustainability considerations applicable to the administration of assessment districts.

Commission/Committee Action: None.

Rationale for Recommendation: The annual proceedings for these existing Districts are being administered as set forth in Section 3.124.190 of the Sacramento City Code.

Financial Considerations: All of the Districts are self-supporting and have no impact on the General Fund. The cost of maintenance, operation, and program services required by each district will be funded through the Districts' budgets. A summary of each district budget and proposed assessment is listed below. Detailed expense budgets are in the attached resolutions as well as the Engineer's Reports on file with the Public Improvement Financing Division of the Department of Finance, designated by the City Clerk's Office to be the repository of documents associated with special districts.

- **Willowcreek:** The total assessment for FY 2013-14 is projected at \$23,961, with an expense budget of \$34,292. Such deficit spending is intentional in order to reduce fund balance that is not needed. Assessments were significantly decreased for the past two years to utilize a majority of the excess fund balance. This year's proposed assessment of \$26.24 per single family home is an increase over last year's assessment of \$7.15 but is 78% lower than the maximum allowed assessment of \$125.56. An assessment of \$37.56 would be required to fully fund budgeted expenses.
- **Northside:** The total assessment for FY 2013-14 is projected at \$4,433, with an expense budget of \$16,122. Such deficit spending in FY 2013-14 and previous fiscal years has been intentional in order to reduce excess fund balance. The proposed assessment of \$39.58 per single-family home is a decrease from last year's assessment in order to reduce excess fund balance in a timely manner. The assessment will increase in future years, as required, to fully fund future budgeted expenses.
- **Laguna Creek:** The total assessment for FY 2013-14 is projected at \$134,601, with an expense budget of \$167,794. Such deficit spending is intentional in order to reduce fund balance that is not needed. The proposed total assessment in FY 2013-14 represents an 8.5% decrease over last year's assessment. A more detailed breakdown of the assessment, by land use type, is in the Laguna Creek Resolution.

- **Neighborhood Water Quality:** The total assessment amount for the five subdivisions for FY 2013-14 is estimated to be \$51,049 with an expense budget of \$56,008. The difference, or deficit, is intentional and will result in appropriate reductions in the fund balance to stay at levels adequate to fund all but the most major repairs. The cost for each subdivision, as well as a breakdown of cost per single-family lot, is provided in Exhibit B of the Neighborhood Water Quality Resolution.

The annual operating budgets of affected departments will be adjusted to reflect these Council approved assessments and expenditure plans for the Districts.

Emerging Small Business Development (ESBD): City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

Willowcreek Maintenance District: On August 18, 1998, City Council approved formation of the Willowcreek Maintenance Assessment District. The district was established in Willowcreek as one of several Best Management Practices to reduce storm water pollution at the maximum extent possible as required by the Federal Clean Water Act and the City's NPDES Permit. The district provides additional street sweeping during the winter months, cleaning of manholes, pipes and pump stations, and monitoring of storm water discharge and sediments. Currently, there are 12 subdivisions within the existing boundaries. As other subdivisions within the Willowcreek area are approved by Council and recorded, they will be required to annex to the district.

Northside Maintenance District: City Council approved formation of the Northside Subdivision Maintenance District on June 7, 1992. The district was established to provide maintenance activities associated with the Northside Subdivision Wetlands Mitigation Program as required by the U.S. Army Corps of Engineers Permit for the Northside subdivision. District activities include cleaning of the sand and grease trap separator for the storm drain system, disposal of the contents, mowing, and litter pick up. The district also funds maintenance activities for the landscaped area adjacent to Marysville Boulevard.

Laguna Creek Maintenance District: The Laguna Creek wetlands area was constructed in 1988. On April 16, 1991, the City Council approved formation of the Laguna Creek Maintenance District. The district provides funding for environmental monitoring and maintenance activities associated with the Laguna Creek Wetlands Mitigation Program. The monitoring and maintenance work is required to comply with a Section 404 Permit (No. 9570) issued by the U.S. Army Corps of Engineers to the City of Sacramento. The adopted monitoring program identified a five-to-eight year monitoring period, which has been completed along with the required remediation work. The ongoing purpose of the district is to provide continued maintenance and monitoring to ensure compliance with the 404 permit, which includes a public education element as described below.

Monitoring and Maintenance Program

The Laguna Creek wetlands maintenance area includes the primary creek channel and adjacent wetlands, wetlands preserved to the south of the floodway, and adjacent turf areas. The maintenance area also includes channel improvements and wetlands located west of Franklin Boulevard, which were constructed as part of the Laguna Creek Floodway project. The work that is intended to be funded by the annual maintenance district includes:

- Maintenance and repair of irrigation systems
- Maintenance and operation of planting basins, including fertilization, pruning, staking, turf and grassland mowing, disking fire breaks, litter control, and patrolling
- Maintenance of bikeways and landscaping adjacent to the wetlands area
- Unscheduled maintenance such as repair of damage due to vandalism, flood or fire, and temporary irrigation of vernal pools not wetted by natural events

- Public outreach, including design and development of interpretive signage, education workshops, nature walks, information for the kiosk (i.e. community information center), and for wetlands articles in the North Laguna Creek Neighborhood Association newspaper

Neighborhood Water Quality: On July 23, 1991, City Council approved formation of the Neighborhood Water Quality District, formerly known as the Meadowview Estates Maintenance District. This district provides funding for maintenance of water quality areas and landscaping improvements that are located in and/or adjacent to residential subdivisions. The specific activities approved for the district include:

For landscaped areas:

The work to be performed consists of furnishing all tools, equipment, apparatus, facilities, labor, material, supplies, and utilities necessary or desirable to maintain and service the landscaping, irrigation systems, drainage structures, and water quality features. Maintenance work may include but not be limited to periodic mowing of grass, trimming of trees and shrubs, and fertilizing, together with the regular furnishing of water for irrigation of all plant material, and the repair, maintenance, and replacement of irrigation systems, drainage structures, water quality features, planted materials, and amenities.

For water quality areas:

The work to be performed consists of the maintenance and repair of the wetland areas identified in the U.S. Army Corps of Engineers' Nationwide Permits, Water Quality Swales and Detention areas. Specifically, the work may include but is not limited to maintenance of seasonal wetlands, mowing fire breaks, litter control and patrolling, repair and/or replacement of post and cable, keeping of contractor's records, and any related work necessary to comply with the conditions of the Corps Permit. The work will also include landscape (i.e. trees & native grasses) maintenance of the water quality detention basin. Pumping, hauling, and disposal of collected wastes shall be in accordance with all appropriate state, federal, and local regulations.

At the time of formation, the initial district included the Meadowview Estates. Since that time, the City Council has annexed four additional subdivisions to the district.

RESOLUTION NO.

Adopted by the Sacramento City Council
**ADOPTING THE WILLOWCREEK MAINTENANCE ASSESSMENT
DISTRICT ANNUAL BUDGET AND LEVYING ASSESSMENT FOR
FISCAL YEAR (FY) 2013-14**

BACKGROUND:

- A.** The Willowcreek Maintenance Assessment District No 98-03 (District), as depicted in Exhibit A, was established by the City Council and approved by the property owners on August 18, 1998.
- B.** The City Council established the District under Chapter 3.124 of the Sacramento City Code (Chapter 3.124), and has previously levied assessments on property in the District to pay for maintenance related to the water quality mitigation program and related services to be provided within the District, all in accordance with Chapter 3.124.
- C.** The total assessment for FY 2013-14 is projected at \$23,961, with an expense budget of \$34,292 as shown on Exhibit B to the resolution and detailed in the Engineer's Report on file with the Public Improvement Financing Division, designated by the City Clerk's Office to be the repository of documents associated with special districts. The assessment in FY 2013-14 is less than projected expenses due to the utilization of excess fund balance.
- D.** Assessments were significantly decreased for the past two years to utilize a majority of the excess fund balance. This assessment of \$26.24 in FY 2013-14 is an increase over last year's assessment of \$7.15, but is 78% lower than the maximum allowed assessment of \$125.56.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the background statements are true and correct.
- Section 2. The Supervising Engineer of the Department of Public Works, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file an annual report in accordance with the provisions of Section 3.124.190 of the Sacramento City Code.
- Section 3. The City Council:
 - (a) Adopts the annual budget set forth in the FY 2013-14 Engineer's Annual Report.

(b) Levies the assessment set forth in the FY 2013-14 Engineer's Annual Report.

Section 4. The City Manager is authorized to make any necessary budgetary adjustments associated with the approval of the Engineer's Annual Report for FY 2013-14.

Section 5. Exhibits A and B are part of this resolution.

Table of Contents:

Exhibit A: District Map

Exhibit B: FY 2013-14 District Budget & Parcel Assessment

EXHIBIT A

Willowcreek Maintenance Assessment District No. 98-03
Area of Work

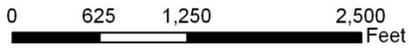
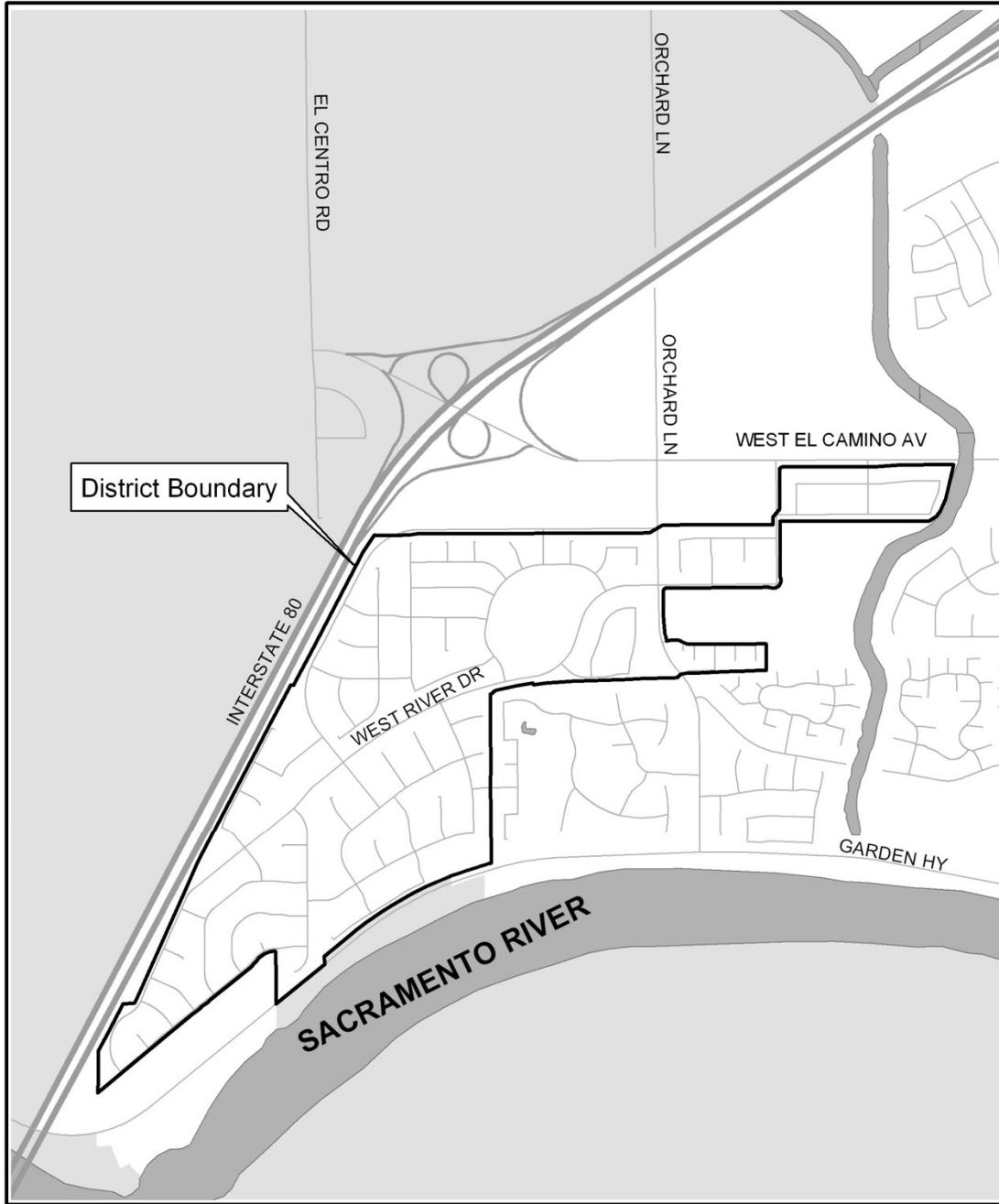


EXHIBIT B
WILLOWCREEK MAINTENANCE ASSESSMENT DISTRICT
FY 2013-14
(FUND 2228)

DISTRICT BUDGET

Estimated Beginning Fund Balance		25,331
Total Assessed to Property Owners		23,961
Total Resources		\$ 49,292
Maintenance Tasks		
Street Maintenance		11,600
Inspections & Corrective Action		14,863
Administrative Costs		
Public Improvement Financing		6,210
Administration		
Parcel Reporting		150
Accounting		
Administration		952
County Billing		517
Total Expenditures		\$ 34,292
Estimated Ending Fund Balance		\$ 15,000
Year-Over-Year Change in Fund Balance		(10,331)

PARCEL ASSESSMENT

A. Neighborhood	Maximum Authorized	FY 2012-13	FY 2013-14
Willowcreek Maintenance Assessment District	\$125.56	\$7.15	\$26.24

The annual assessment, including the maximum annual assessment, may be increased for inflation. The actual amount of the increase [not to exceed four percent (4%) per annum] shall be computed based on the Consumer Price Index (prior year annual average, San Francisco, All Urban Consumers Index, or a substitute index of a similar nature should the specified index be discontinued).

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE NORTHSIDE SUBDIVISION MAINTENANCE DISTRICT ANNUAL BUDGET AND LEVYING ASSESSMENT FOR FISCAL YEAR (FY) 2013-14

BACKGROUND

- A. The Northside Subdivision Maintenance District (District), as depicted in Exhibit A, was established by the City Council and approved by the property owners on June 7, 1992.
- B. The City Council established the District under Chapter 3.124 of the Sacramento City Code, and has previously levied assessments on property in the District to pay for landscaping maintenance services and related services to be provided within the District, all in accordance with Chapter 3.124.
- C. The total assessment for FY 2013-14 is projected at \$4,433, with an expense budget of \$16,122 as shown on Exhibit B to the resolution and detailed in the Engineer's Report on file with the Public Improvement Financing Division, designated by the City Clerk's Office to be the repository of documents associated with special districts. The assessment in FY 2013-14 is less than projected expenses due to the utilization of excess fund balance.
- D. The assessment in FY 2013-14 represents a decrease from the assessment in the prior fiscal year as shown on Exhibit B due to the utilization of fund balance. The assessment will increase in future years as required to fully fund the expense budget.
- E. The Council is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the background statements are true and correct.
- Section 2. The Supervising Engineer of the Department of Public Works, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file an annual report in accordance with the provisions of Section 3.124.190 of the Sacramento City Code.
- Section 3. The City Council:
 - (a) Adopts the annual budget set forth in the FY 2013-14 Engineer's Annual Report.

(b) Levies the assessment set forth in the FY 2013-14 Engineer's Annual Report.

Section 4. The City Manager is authorized to make any necessary budgetary adjustments associated with the approval of the Engineer's Annual Report for FY 2013-14.

Section 5. Exhibits A and B are part of this resolution.

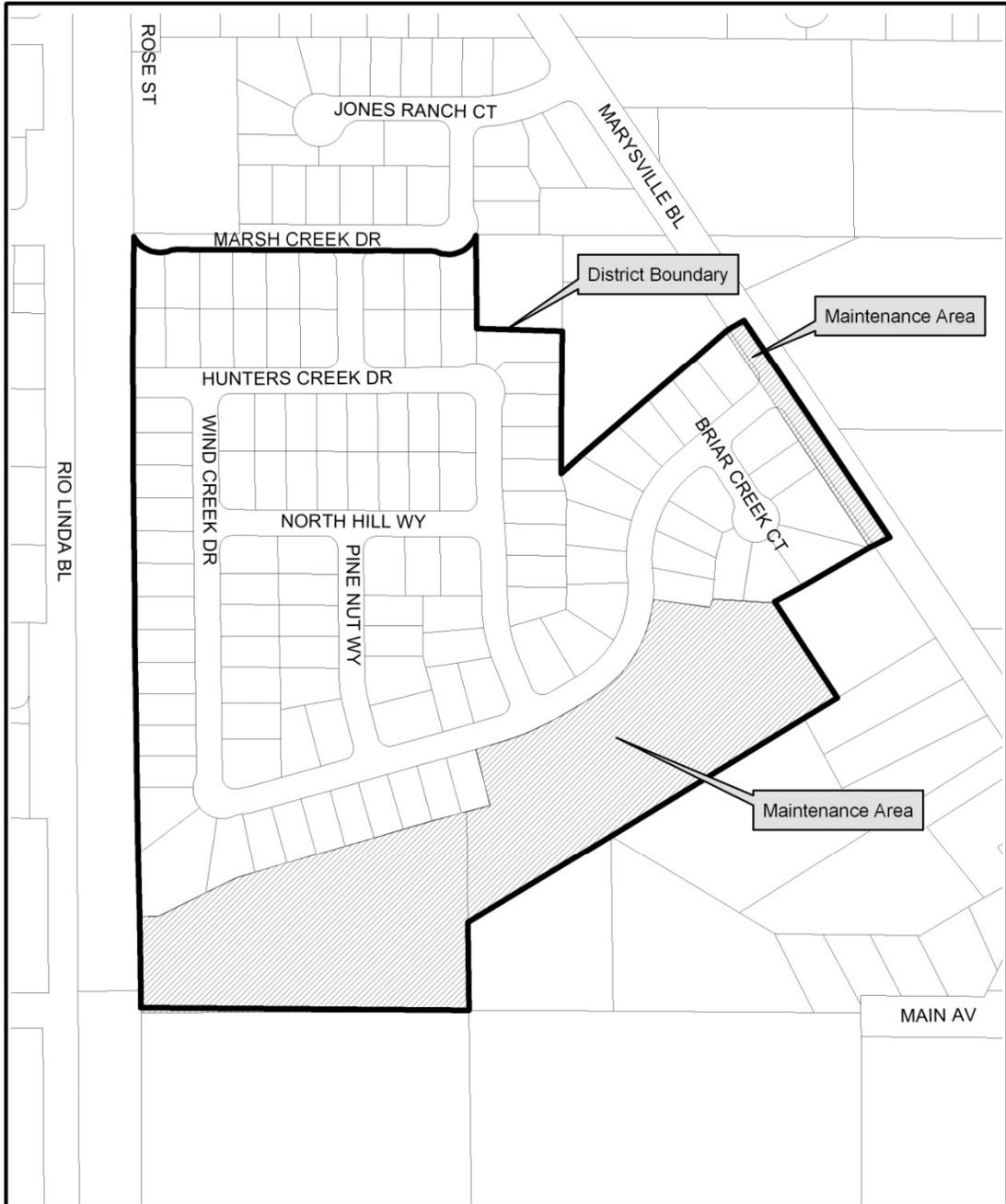
Table of Contents:

Exhibit A: District Map

Exhibit B: FY 2013-14 District & Parcel Assessment

Exhibit A

Northside Subdivision Maintenance District



B Mueller 04/11/07

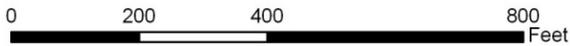


Exhibit B

NORTHSIDE SUBDIVISION MAINTENANCE DISTRICT FY 2013-14 DISTRICT AND PARCEL ASSESSMENT (FUND 2204)

Estimated Beginning Fund Balance	\$	57,255
Total Assessed to Property Owners		4,433
Total Resources	\$	61,688

Maintenance Tasks		
Wetlands Maintenance (Utilities)		5,000
Landscape Maintenance (Streets)		3,242

Administrative Costs		
Public Improvement Financing		
Administration		6,644
Parcel Reporting		150
Accounting		
Administration		952
County Billing		134
Total Expenditures		16,122

Estimated Ending Fund Balance		45,566
Year-Over-Year Change in Fund Balance		(11,689)

PARCEL ASSESSMENT

Name	Maximum Authorized	FY 2012-13	FY 2013-14
Northside Subdivision Maintenance District	\$195.84	\$60.00	\$39.58

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE LAGUNA CREEK MAINTENANCE DISTRICT ENGINEER'S ANNUAL REPORT, ANNUAL BUDGET AND LEVYING AN ASSESSMENT FOR FISCAL YEAR (FY) 2013-14

BACKGROUND:

- A.** The Laguna Creek Maintenance District (District), as depicted in Exhibit A, was established by the City Council and approved by the property owners on April 16, 1991.
- B.** The City Council established the District under Chapter 3.124 of the Sacramento City Code, and has previously levied assessments on property in the District to pay for landscaping maintenance services and related services to be provided within the District, all in accordance with Chapter 3.124.
- C.** The total assessment for FY 2013-14 is projected at \$134,601, with an expense budget of \$167,794 as shown on Exhibit B to the resolution and detailed in the Engineer's Report on file with the Public Improvement Financing Division, designated by the City Clerk's Office to be the repository of documents associated with special districts.
- D.** The proposed total assessment of \$134,601 in FY 2013-14 represents an 8.5% decrease as compared to the total assessment in FY 2012-13 due to the use of excess fund balance to offset District expenses in FY 2013-14. The assessment will increase in future years as required to fully fund the expense budget.
- E.** The Council is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the background statements A through E are true and correct.
- Section 2. The Supervising Engineer of the Department of Public Works, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file the Engineer's Annual Report in accordance with the provisions of Section 3.124.190 of the Sacramento City Code.
- Section 3. The City Council:
 - (a) Adopts the annual budget set forth in the FY 2013-14 Engineer's Annual Report and as shown on Exhibit B.

(b) Levies the assessment set forth in the FY 2013-14 Engineer's Annual Report and as shown on Exhibit C.

Section 4. The City Manager is authorized to make any necessary budgetary adjustments associated with the approval of the Engineer's Annual Report for FY 2013-14.

Section 5. Exhibits A, B, and C are part of this resolution.

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Exhibit A: District Map

Exhibit B: FY 2013-14 District Total Assessment and Budget

Exhibit C: Parcel Assessment

EXHIBIT A

Laguna Creek Maintenance District

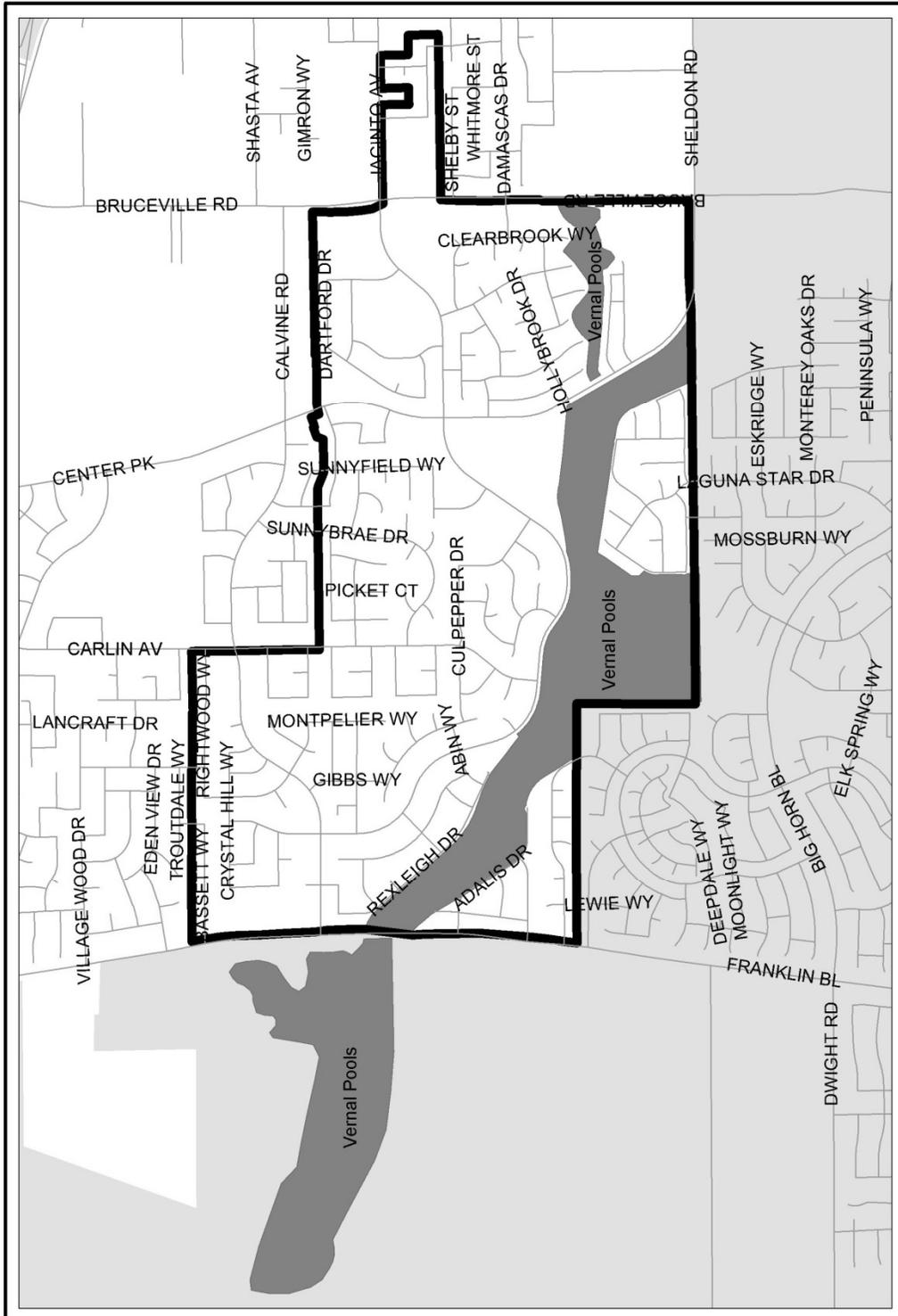


EXHIBIT B

**LAGUNA CREEK MAINTENANCE DISTRICT
DISTRICT ASSESSMENT AND BUDGET
FY 2013-14
(FUND 2206)**

Estimated Beginning Fund Balance	\$	170,193
Total Assessed to Property Owners		134,601
Total Resources		<u>304,794</u>
Parks		
Park Maintenance		82,000
Community Outreach		45,000
Department of Public Works (Streets)		
Maintenance Services		20,898
Corrective Items		2,132
Inspections		2,666
Administrative Costs		
Public Improvement Financing		
Administration		12,612
Parcel Reporting		238
Accounting		
Administration		952
County Billing		1,296
Total Expenditures		<u>167,794</u>
Estimated Ending Fund Balance		<u>137,000</u>
Year-Over-Year Change in Fund Balance		<u>(33,193)</u>

EXHIBIT C

PARCEL ASSESSMENT

Annual Maintenance Assessment			
	Maximum Authorized	FY 2012-13	FY 2013-14
Single-Family Residential (per unit)	\$81.73	\$48.14	\$44.14
Developed Multi-Family and Condos (per unit)	58.78	33.04	30.32
Undeveloped Multi-Family (per acre)	741.72	482.34	441.55
Non-Residential (Land Area)			
0-25,000 Square Feet (per parcel)	113.04	68.76	63.02
25,000-100,000 Square Feet (per parcel)	525.45	340.16	311.43
Over 100,000 Square Feet (per parcel)	1,082.23	706.58	646.81
Churches (per parcel)	39.52	20.36	18.72

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE NEIGHBORHOOD WATER QUALITY DISTRICT ANNUAL BUDGET AND LEVYING ASSESSMENT FOR FISCAL YEAR (FY) 2013-14

BACKGROUND:

- A.** The Neighborhood Water Quality District ("District") formerly known as the Meadowview Estates Maintenance District, as depicted in Exhibit A, was established by the City Council and approved by the property owners on July 23, 1991.
- B.** The City Council established the District under Chapter 3.124 of the Sacramento City Code, and has previously levied assessments on property in the District to pay for maintenance related to the water quality mitigation program and related services to be provided within the District, all in accordance with Chapter 3.124.
- C.** The total assessment for FY 2013-14 is projected at \$51,049, with an expense budget of \$56,008 as shown on Exhibit B to the resolution and detailed in the Engineer's Report on file with the Public Improvement Financing Division, designated by the City Clerk's Office to be the repository of documents associated with special districts. The assessment in FY 2013-14 is less than projected expenses due to the utilization of excess fund balance.
- D.** Assessments for all subdivisions within the District are below the highest authorized amount for this district as shown on Exhibit B.
- E.** The Council is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the background statements A through E are true and correct.
- Section 2. The Supervising Engineer of the Department of Public Works, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file an annual report in accordance with the provisions of Section 3.124.190 of the Sacramento City Code.
- Section 3. The City Council:
 - (a) Adopts the annual budget set forth in the FY 2013-14 Engineer's Annual Report.
 - (b) Levies the assessment set forth in the FY 2013-14 Engineer's Annual Report.
- Section 4. The City Manager is authorized to make any necessary budgetary adjustments associated with the approval of the Engineer's Annual Report.

for FY 2013-14.

Section 5. Exhibits A and B are part of this resolution.

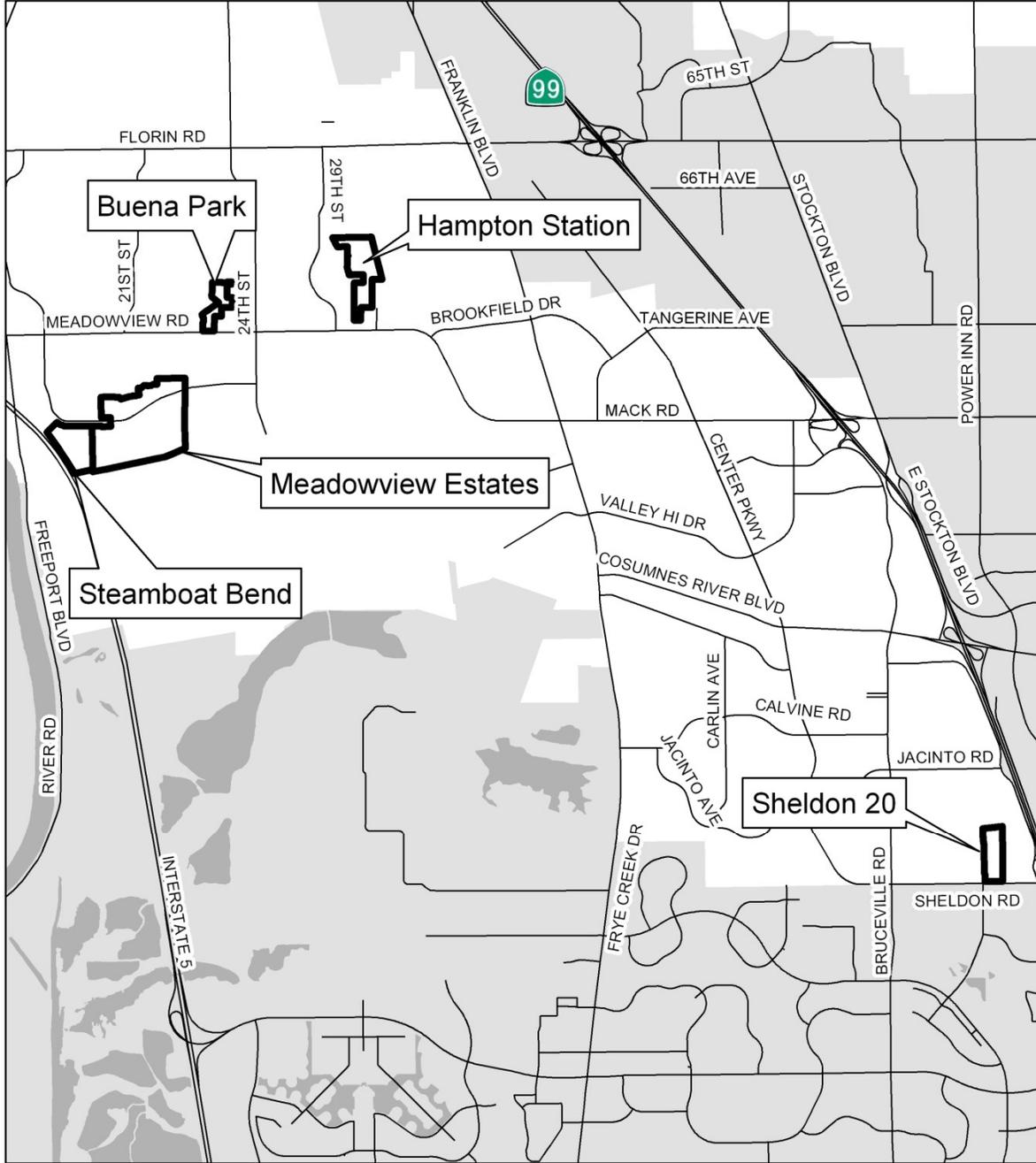
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Exhibit A: District Map

Exhibit B: FY 2013-14 District & Parcel Assessment

EXHIBIT A

Neighborhood Water Quality District 2003-03



 G.I.S.
City of
Sacramento
Planning Department
BMueller, 3/06/08

0 0.5 1 2 Miles



EXHIBIT B

**NEIGHBORHOOD WATER QUALITY DISTRICT
DISTRICT AND PARCEL ASSESSMENT
FY 2013-14
(FUND 2226)**

DISTRICT ASSESSMENT

	FY 2013-14 Budget			
Neighborhood	Expenditures	Expenditures and Ending Fund Balance	(Beginning Fund Balance)	FY 2013-14 Assessed
Buena Park	\$8,838	\$24,673	\$20,248	\$4,425
Meadowview Estates	\$6,724	\$175,504	\$171,004	\$4,500
Steamboat Bend	\$5,255	\$44,990	\$36,490	\$8,500
Sheldon 20	\$7,797	\$39,231	\$33,001	\$6,230
Hampton Station	\$27,394	\$62,348	\$34,954	\$27,394
Total	\$56,008	\$346,746	\$295,697	\$51,049

PARCEL ASSESSMENT

Neighborhood	# of Lots	Maximum Authorized	FY 2012-13	FY 2013-
Buena Park	59	\$409.65	\$75.00	\$75.00
Meadowview Estates	450	\$306.01	\$10.00	\$10.00
Steamboat Bend	146	\$183.61	\$58.22	\$58.22
Sheldon 20	89	\$255.58	\$70.00	\$70.00

Hampton Station Subdivision	Maximum Authorized	FY 2012-13	FY 2013-14
Developed and Undeveloped	\$125.51 per parcel	\$117.13 per parcel	\$115.59 per parcel
Non-Residential Lot 93	\$3,295.11	\$3,108.04	\$3167.52
Non-Residential Lot 94	\$2043.33	\$1,926.85	\$1,962.23
Non-Residential Lot 98	\$1880.07	\$1,772.78	\$1,805.02

The annual assessment may be increased for inflation. The amount of the increase may not exceed 4% a year and will be computed using the prior-year annual average of the Consumer Price Index for the San Francisco-Oakland-San Jose area (All Urban Consumers) or a substitute index of a similar nature should that index be discontinued.