



SUNRISE RECREATION & PARK DISTRICT

Park Maintenance and Recreation Improvement
Assessment District
(Antelope Area)
Engineer's Report

May 2025

Pursuant to the Landscaping and Lighting Act of 1972 and
Article XIID of the California Constitution

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Introduction

Assessment Background

The Sunrise Recreation and Park District (the “District”) currently provides park facilities and recreational programs within its service area of over 49,000 parcels in the City of Citrus Heights, the Foothill Farms Community, and the Antelope community. In the Antelope Community (the area of the District for which this Report was prepared and which is referenced as the “Assessment District”), the District currently owns, operates, and maintains four fully developed parks, five partially developed parks, and two undeveloped park sites yet to be acquired, which are located throughout the more densely populated areas of the District. The District offers recreation programs for youths, parents, and seniors. These programs range from hosting youth soccer, little league, basketball, and other sports events to health, fitness, and first aid classes as well as general community events.

The District’s park and recreation facilities in the Antelope Community are summarized as follows:

Developed Parks:

- Antelope Station Park Site (1.84 acres)
- Lone Oak Park (12.14 acres)
- Pokelma Park (8.64 acres)
- Tetotom Park (10.98 acres)

Partially Developed Parks:

- Almond Grove (4.6 acres)¹
- Antelope Community Park (19 developed acres include a play area, tennis courts, and ball diamonds; 14.90 acres remain undeveloped)²
- Blue Oak Park (9.40 acres currently developed)
- Firestone Park (7.01 acres)³
- Roseview Park (5.82 acres)⁴

Park Sites Yet To Be Acquired:

- Blue Oak Park (additional 3.12 acres)
- Future Park “Barrett Ranch Park” (6.90 acres, at Elverta Road and Titan Drive)
- Future Park “Titan Oak” (0.21 acres)

¹ Phase I completed in 2007.

² Joint use facility with the new high school; second phase completed in 2008 and 2009.

³ Phase I completed in 2006.

⁴ Phase I completed in 2006.

Beginning in 1992, the Park District began experiencing significant population growth while also realizing significant State funding cuts. As a result, the District struggled to provide sufficient parks and recreational facilities for residents of the Antelope community. Therefore, in the absence of a new local revenue source, the baseline level of park and recreation facilities in the Park District (the “Baseline Service”) would have been a deteriorating level of maintenance and upkeep of the park and recreation facilities and properties listed above.

In response to the District’s identified need to improve parks and recreation facilities, as well as to install new parks and recreation facilities and to enhance the maintenance of all such facilities, the District sought to establish a Park Maintenance and Recreation Improvement Assessment District (the “Assessment District”) in the Antelope Area to provide the necessary revenues for improving and maintaining parks and recreation facilities. The Assessments would fund the Improvements listed below that would be provided throughout the Antelope Area of the Park District, extending over and above the baseline level of service for future years in the Antelope Area of the Park District.

Assessment Process

In 2002, the Board of Directors of the Sunrise Recreation and Park District (the “Directors”) conducted an assessment ballot proceeding pursuant to the requirements of Article XIID of the California Constitution (“The Taxpayer’s Right to Vote on Taxes Act”) and the Landscaping and Lighting Act of 1972. During this ballot proceeding, property owners in the Assessment District were mailed a notice and ballot for the proposed Assessment District (“Park Maintenance and Recreation Improvement Assessment District – Antelope Area”). A 45-day period was provided for balloting and a public hearing was conducted on August 1, 2002. After the close of the public input portion of the public hearing, all ballots returned within the 45-day balloting period were tabulated. The tabulation results were announced on August 15, 2002.

The tabulation results determined that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which the ballot was submitted). The final balloting result was 59.1% weighted support for the Assessment District.

As a result, the Board gained the authority to approve the levy of the assessments for fiscal year 2002-03 and to continue to levy them in future years. The authority granted by the ballot proceeding includes an annual adjustment in the assessment levies equal to the annual change in the San Francisco Bay Area Consumer Price Index as of the first published report of each succeeding year, with the maximum adjustment not to exceed 3%.

Engineer's Report and Continuation of Assessments

In each subsequent year for which the assessments will be continued, the Board must direct the preparation of an Engineer's Report, budgets, and proposed assessments for the upcoming fiscal year. After the Engineer's Report is completed, the Board may preliminarily approve the Engineer's Report and proposed assessments, and establish the date for a public hearing on the continuation of the assessments. This Report was prepared pursuant to the direction of the Board by Resolution Number 25-001 adopted on March 19, 2025.

This Engineer's Report ("Report") was prepared to establish the budget for the continued improvements and services that would be funded by the proposed 2025-26 assessments, determine the benefits received from the assessments, and the method of assessment apportionment to lots and parcels within this area. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIID of the California Constitution (the "Article"). This Report is the detailed Engineer's Report required by the Article and the report required by Section 22565 of the Act.

If the Board approves this preliminary Engineer's Report and the continuation of the assessments by resolution, a notice of public hearing must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing is used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing is held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for June 18, 2025. At this hearing, the Board will consider approval of a resolution confirming the continuation of the assessments for fiscal year 2025-26. If so confirmed and approved, the assessments will be submitted to the Sacramento County Auditor/Controller for inclusion on the property tax rolls for fiscal year 2025-26.

Legal Analysis

Proposition 218

This assessment is formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now codified as Articles XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including property-owner balloting, for the imposition, increase, and extension of assessments, and these requirements are satisfied by the process used to establish this assessment.

Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority

In July of 2008, the California Supreme Court issued its ruling on the *Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority* (“SVTA”). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

This Engineer’s Report and the assessments are consistent with the SVTA decision and with the requirements of Article XIIC and XIID of the California based on the following factors:

1. The Assessment District is divided into separate zones of benefit, and the assessment revenue derived from real property in each zone is extended only on specifically identified park and recreational improvements and/or maintenance and servicing of those improvements in that zone and other improvements in the Assessment District that confer special benefits to property in that zone.
2. The use of zones of benefit ensures that the park and recreational improvements constructed and maintained with assessment proceeds are located in close proximity to the real property subject to the assessment and that such improvements provide a direct advantage to the property in the zone.
3. Due to their proximity to the assessed parcels, the improvements and maintenance thereof financed with assessment revenues in each zone benefit the properties in that zone in a manner different in kind from the benefit that other parcels of real property in the Assessment District derive from such improvements, and the benefits conferred on such property in each zone are more extensive and direct than a general increase in property values.
4. The assessments paid in each zone of benefit are proportional to the special benefit that each parcel within that zone receives from such improvements and the maintenance thereof because:
 - a. The specific park and recreational improvements and maintenance, utility costs, debt service, issuance costs, and other eligible costs thereof in each zone and the costs thereof are specified in this Engineer’s Report; and

- b. Such improvement and maintenance costs in each zone are allocated among different types of property located within each zone of benefit, and equally among those properties which have similar characteristics and receive similar special benefits.

In addition, this Engineer's Report is consistent with the SVTA decision and with the requirements of Article XIIC and XIID of the California Constitution because the improvements to be funded are clearly defined; the benefiting property in the Assessment District enjoys close and unique proximity, access and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Assessment District and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. There have been a number of clarifications made to the analysis, findings, and supporting text in this Report to ensure that this consistency is well communicated.

Dahms v. Downtown Pomona Property

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona ("*Dahms*"). On July 22, 2009, the California Supreme Court denied review. On this date, *Dahms* became good law and binding precedent for assessments. In *Dahms*, the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

Bonander v. Town of Tiburon

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon ("*Bonander*"). The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

Beutz v. County of Riverside

On May 26, 2010 the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("*Beutz*") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified, and separated from the special benefits.

Golden Hill Neighborhood Association v. City of San Diego

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal ("*Greater Golden Hill*"). This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified, and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

Compliance with Current Law

This Engineer's Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *SVTA* decision because the improvements to be funded are clearly defined; the benefiting property in the Assessment District enjoys close and unique proximity, access, and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Assessment District; and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. In addition, the improvements are directly available to and will directly benefit property in the Assessment District; and the improvements provide a direct advantage to property in the Assessment District that would not be received in the absence of the Assessments.

This Engineer's Report is consistent with *Beutz*, *Dahms*, and *Greater Golden Hill* because the Services will directly benefit property in the Assessment District, and the general benefits have been explicitly calculated and quantified and excluded from the assessments. Moreover, while *Dahms* could be used as the basis for a finding of 0% general benefits, this Engineer's Report establishes a more conservative measure of general benefits.

The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the improvements and proportional special benefit to each property.

Plans & Specifications

The Sunrise Recreation and Park District maintains park facilities in locations throughout the Antelope Community located in the western section of the Sunrise Recreation and Park District boundaries (see the Assessment Diagram at the end of this report).

The work and improvements (the “Improvements”) proposed to be undertaken by the Sunrise Recreation and Park District’s Park Maintenance and Recreation Assessment District (the “Assessment District”) and the cost thereof, including any debt service on bonds or other indebtedness issued to finance the improvements, paid from the levy of the annual assessment, provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. In addition to the definitions provided by the Landscaping and Lighting Act of 1972, (the “Act”) the work and improvements are generally described as follows:

Installation, maintenance, and servicing of public facilities, as well as debt service, issuance costs, and other expenses associated with the issuance and administration of bonds, lease obligations, or other financing for the public facilities and improvements. Installation will include but not be limited to, the acquisition and construction of recreational facilities, playing fields, playground equipment, community centers, hard court surfaces, tennis courts, play equipment, public restrooms, irrigation and sprinkler systems, landscaping, turf and track facilities, gymnasiums, swimming pools, park grounds, park facilities, landscape corridors, trails, lighting, drainage systems, and land preparation, such as grading, leveling, cutting, and filling, as applicable, for property owned or maintained by the Sunrise Recreation and Park District.

As applied herein, “Installation” means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, recreational facilities, and public restrooms.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of said improvements, including repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health and beauty of landscaping; and cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti.

“Servicing” means the furnishing of electric current or energy for the operation or lighting of any improvements, and the furnishing of water for irrigation of any landscaping or the maintenance of any other improvements.

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment (Streets & Highways Code §22526).

The assessment proceeds will be exclusively used for Improvements within the Assessment District plus Incidental expenses. Reference is made to the “Summary of District’s Improvement Plans” in the following section of this Report which specifically identifies the parks, recreation areas, and other sites to be funded by the assessment proceeds, and the plans and specifications, including specific expenditure and improvement plans by park/recreation site and Zone of Benefit, which are on file with the Sunrise Recreation and Park District.

Fiscal Year 2025-26 Estimate of Cost and Budget

Introduction

Following are the proposed Improvements, and resulting level of improved parks and recreation facilities, for the Assessment District. As previously noted, the baseline level of service included a declining level of parks and recreation facilities due to shortages of funds for the Antelope area of the Park District. Improvements funded by the assessments are over and above the previously declining baseline level of service. The formula below describes the relationship between the final level of improvements, the existing baseline level of service, and the enhanced level of improvements to be funded by the proposed assessment.

$$\text{Final Level of Improvements} = \text{Baseline Level of Improvements} + \text{Enhanced Level of Improvements}$$

Summary of District's Improvement Plans

The budget to be financed from the Assessment District levies will provide funding to improve and maintain parks and recreation facilities in the Assessment District. Projects have been chosen throughout the Assessment District in order to ensure that all properties in the narrowly drawn Assessment District boundaries will receive improved access to better maintained and improved parks in their area. The budget included within this Engineer's Report is for fiscal year 2025-26. It is based on a multi-year improvement plan that includes projects that will improve existing parks and recreation facilities; create new parklands and recreation facilities, improve park safety by enhancing lighting; install upgraded playground equipment that meets new safety standards; and enhance park maintenance to help ensure the continued beauty, usability, and accessibility of the Assessment District's parks and recreation facilities.

Improvement Plan Highlights:

The assessment levies may be used in the current and future fiscal years to fund debt service, lease obligations, or other financing methods for the acquisition and improvement of park and recreation facilities in the Assessment District. These improvements may include:

Development of Antelope Community Park to include:

1. Community Center and parking lot
2. Dog Park
3. Aquatics Complex concession building
4. Baseball diamond concession building
5. Shade shelters and tables
6. Action sports park
7. Basketball court
8. Parking lot
9. Synthetic turf or grass soccer fields
10. Update Master Plan
11. District Corp. Yard
12. Play structures
13. Playgrounds
14. Restrooms
15. Soccer field goals
16. Off street parking

Additional walkways and security lighting at neighborhood parks.

Development of the following new neighborhood parks:

1. Almond Grove, Phase II to be completed at a future date (4.6 acres)⁵
2. Future Park "Barrett Ranch Park" (6.9 acres – not yet dedicated to the Park District)
3. Future Park "Titan Oak" 0.21 acres
4. Blue Oak Park (12.12 total acres; 9 acres already developed, plus 3.12 acres yet to be acquired). To include a parking lot, restroom, basketball court and shade shelter.
5. Firestone Park, Phase II to be completed at a future date (7.01 acres)
6. Roseview Park, Phase II to be completed at a future date (5.82 acres)

As shown in the Estimate of Cost below, the majority of the assessment is being used to repay the bond issued in 2007 and to fund ongoing maintenance and operations of District facilities.

⁵ First phase completed in 2007.

Figure 1 – Estimate of Cost, Fiscal Year 2025-26

Sunrise Park and Recreation District Park Maintenance and Recreation Improvement Assessment District - Antelope Estimate of Cost Fiscal Year 2025-26				
				<i>Total Budget</i>
Beginning Fund Balance ¹				\$77,023
Installation, Maintenance & Servicing Costs²				
	Repayment of Financed Park Improvements			\$415,027
	Labor Costs			\$447,922
	Land Improvement Maintenance Supp			\$30,000
	Electricity			\$110,000
	Water			\$220,000
Capital Improvements³				
	N/A			\$0
	Subtotal: Costs			\$1,222,949
Incidental Costs:				
	Auditor/Controller and Administration			\$21,275
	Subtotal - Incidentals			\$21,275
Total Cost for Installation, Maintenance, Servicing, and Incidentals⁴				\$1,244,224
Less: Contribution From Other Sources⁵				
	Contribution from AV Revenues/Taxes ⁶			(\$311,056)
	Interest Income ⁷			(\$15,000)
	Subtotal: Contribution from Other Sources			(\$326,056)
Less: Contribution from Reserve Funds⁸				
	Fund balance from prior years			(\$77,023)
	Reserve Contribution for Capital Projects			\$0
	Subtotal: Contribution from Reserve Funds			(\$77,023)
Total Amount to be derived from Assessment⁹				\$841,145
Budget Allocation to Property				
Zone of Benefit	Parcels Assessed	SFE Units	SFE Rate / Unit ¹⁰	Total ¹¹
A	10,892	11,148.46	\$72.16	\$804,473
B	591	587.50	\$62.42	\$36,672
Total Assessment Budget				\$841,145

Sunrise Recreation and Park District

Park Maintenance & Recreation Improvement Assessment District, Antelope Area
Engineer's Report, FY 2025-26

Notes to Estimate of Cost:

1. The beginning Fund Balance is the net dedicated revenue that was unspent in the previous year. District staff monitors and provides this number each year.
2. The item "Installation, Maintenance & Servicing Costs" provides funding for enhanced maintenance of all parks and recreation facilities, as well as debt service, issuance costs, and other expenses associated with the issuance and administration of bonds for the improvements. Improvements include but are not limited to, mowing turf, trimming and caring for landscaping, fertilization, and aeration of grounds and playfields, routine maintenance, painting, replacing/repairing broken or damaged equipment, trash removal and cleanup, irrigation, and irrigation system maintenance, and other services as needed.
3. The total cost of \$1,244,224 is the sum of installation, maintenance, and servicing costs and incidental costs (the fund balance is not included in this total). This amount is the total investment in the services associated with this assessment.
4. As determined in the following section, at least 25% of the cost of Improvements must be funded from sources other than the assessments to cover any general benefits from the Improvements. Therefore, out of the total cost of Improvements of \$1,244,224, the District must contribute at least \$311,055 from sources other than the assessments. The District will contribute \$326,056 from AV revenues & taxes and \$15,000 from interest income) which exceeds the general benefit contribution requirement of \$311,055.
5. District staff monitors and provides this number each year.
6. The item "Contribution from Reserve Funds" includes Assessment District funds for operating reserves and capital reserves carried forward from prior years.
7. The total amount of \$841,145 is the cost of services less other contributions and is the amount that should be generated from the assessment. The Landscaping and Lighting Act requires that proceeds from the assessments must be deposited into a special fund that has been set up for the revenues and expenditures of the Assessment District. Moreover, funds raised by the assessment shall be used only for the purposes stated within this Report. Any balance remaining at the end of the fiscal year, June 30, must be carried over to the next fiscal year. The District may also establish a reserve fund for contingencies and special projects as well as a capital improvement fund for accumulating funds for larger capital improvement projects or capital renovation needs. Any remaining balance would either be placed in the reserve fund, the capital improvement fund, or would be used to reduce future years' assessments.
8. Assessment per Single Family Equivalent Unit (SFE Unit)

9. The Total Assessment Budget is the sum of the final property assessments rounded to the lower even penny to comply with the Sacramento County Auditor's levy submission requirements; therefore, the budget amount may slightly differ from the assessment total.

Method of Assessment Apportionment

Method of Apportionment

This section of the Engineer's Report explains the special and general benefits to be derived from the installation, maintenance and servicing of park and recreation facilities and improvements, and the methodology used to apportion the total assessment to properties within the Assessment District.

The Assessment District consists of all Assessor Parcels within the boundaries of the Antelope Area within the Sunrise Recreation and Park District. The method used for apportioning the assessment is based upon the proportional special benefits conferred to the properties over and above general benefits conferred to real property in the Assessment District or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Improvements
2. Calculation of the proportion of these benefits that are general
3. Determination of the relative special benefit within different areas within the Assessment District
4. Determination of the relative special benefit per property type
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property, and other supporting attributes

Discussion of Benefit

In summary, the assessments can only be levied based on the special benefit to property. Any and all general benefit must be funded from another source. This special benefit is received by property over and above any general benefits from the Improvements. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

"The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000)) [of the Streets and Highways Code, State of California]."

Sunrise Recreation and Park District

Park Maintenance & Recreation Improvement Assessment District, Antelope Area
Engineer's Report, FY 2025-26

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must reasonably exceed the cost of the assessment:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The SVTA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).

Finally, Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).) The SVTA decision further clarifies that special benefits must provide a direct advantage to benefiting property and that proximity to a park is an example of a special benefit.

Benefit Factors

The special benefits from the Improvements are listed below:

Extension of a Property's Outdoor Areas and Green Spaces for Properties within Close Proximity to the Improvements

In large part, because it is cost-prohibitive to provide large open land areas on property in the Assessment District, the residential, commercial, and other benefiting properties in the Assessment District do not have large outdoor areas and green spaces. The parks in the Assessment District provide these larger outdoor areas that serve as an effective extension of the land area for proximate properties because the Improvements are uniquely proximate and accessible to properties in close proximity to the Improvements. The Improvements, therefore, provide an important, valuable, and desirable extension of usable land area for the direct advantage and special benefit of properties with good and close proximity to the Improvements.

According to the industry-standard guidelines established by the National Recreation and Park Association (“NRPA”), neighborhood parks in urban areas have a service area radius of generally one-half mile, and community parks have a service area radius of approximately two miles. The service radii for neighborhood parks and neighborhood green spaces were specifically established to give all properties within this service radii close proximity and easy walking access to such public land areas. Since proximate and accessible parks serve as an extension of the usable land area for property in the service radii and since the service radii was specifically designed to provide close proximity and access, the parcels within this service area clearly receive a direct advantage and special benefit from the Improvements, and this advantage is not received by other properties or the public at large.

An analysis of the service radii for the Improvements finds that all properties in the Assessment District enjoy the distinct and direct advantage of being close and proximate to one or often multiple parks within the Assessment District. The benefiting properties in the Assessment District therefore uniquely and specially benefit from the Improvements.

Proximity to Improved Parks and Recreational Facilities

Only the specific properties within close proximity to the Improvements are included in the Assessment District. Therefore, property in the Assessment District enjoys unique and valuable proximity and access to the Improvements that the public at large and property outside the Assessment District do not share.

In absence of the assessments, the Improvements would not be provided and the parks and recreation areas in the Assessment District would be degraded due to insufficient funding for maintenance, upkeep, and repair. Therefore, the assessments provide Improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the Assessment District, they provide a direct advantage and special benefit to property in the Assessment District.

Access to Improved Parks, Open Space and Recreational Areas

Since the parcels in the Assessment District are nearly the only parcels that enjoy close access to the Improvements, they directly benefit from the unique close access to improved parks, open space, and recreation areas that are provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

Improved Views

The Park District, by maintaining the landscaping at its park, recreation, and open space facilities in the Antelope area, provides improved views to properties with direct line-of-sight as well as other local properties which benefit from improved views when property is accessed. Therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.

Benefit Finding

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from closer proximity, access, and views of improved parks, recreation facilities, open space, landscaped corridors, greenbelts, trail systems, and other public resources funded by the Assessments. The Improvements are specifically designed to serve local properties in the Assessment District, not other properties or the public at large. The public at large and other properties outside the Assessment District receive only limited benefits from the Improvements because they do not have proximity, good access, or views of the Improvements. These are special benefits to property in the Assessment District in much the same way that sewer and water facilities, sidewalks, and paved streets enhance the utility and desirability of properties and make them more functional to use, safer, and easier to access.

General versus Special Benefit

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

$$\text{Total Benefit} = \text{General Benefit} + \text{Special Benefit}$$

There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. SVTA provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the current, baseline level of service. The assessment will fund Improvements “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to Real Property Outside the Assessment District	+	Benefit to Real Property Inside the Assessment District that is Indirect and Derivative	+	Benefit to the Public at Large
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Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, properties in the Assessment District have close and unique proximity, views, and access to the Improvements and uniquely improved desirability from the Improvements and other properties and the public at large do not receive significant benefits because they do not have proximity, access or views of the Improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special and is only minimally received by property outside the Assessment District or the public at large.

In the 2009 *Dahms* case, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided within the assessment district. It is also important to note that the improvements and services funded by the assessments in Pomona are similar to the improvements and services funded by the Assessments described in this Engineer's Report and the Court found these improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer's Report fund improvements and services directly provided within the Assessment District, and every benefiting property in the Assessment District enjoys proximity and access to the Improvements. Therefore, *Dahms* establishes a basis for minimal or zero general benefits from the Assessments. However, in this Report, the general benefit is more conservatively estimated and described, and then budgeted so that it is funded by sources other than the Assessment.

Calculating General Benefit

In this section, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

Benefit to Property Outside the Assessment District

Properties within the Assessment District receive almost all of the special benefits from the Improvements because properties in the Assessment District enjoy unique close proximity and access to the Improvements that is not enjoyed by other properties or the public at large. However, certain properties within the proximity/access radius of the Improvements, but outside of the boundaries of the Assessment District, may receive some benefit from the Improvements. Since this benefit is conferred to properties outside the Assessment District boundaries, it contributes to the overall general benefit calculation and will not be funded by the Assessments.

The properties outside the Assessment District and within the proximity radii for neighborhood parks in the Assessment District receive benefits from the Improvements. Since these properties are not assessed for their benefits because they are outside of the area that can be assessed by the District, this is a form of general benefit to the public at large and other property. A 50% reduction factor is applied to these properties because they are all geographically on only one side of the Improvements and have over twice the average proximity to the Improvements as properties in the Assessment District. The general benefit to property outside of the Assessment District is calculated as follows with the parcel and data analysis performed by SCI Consulting Group.

Assumptions:

- 2,781 parcels outside the District but within 0.5 miles of a park within the Assessment District.
- 10,632 parcels in the Assessment District.
- 50% relative benefit compared to property within the Improvement District.

Calculation of General Benefit to Property Outside the Improvement**District:**

$$2,781 / (10,632 + 2,781) * 0.5 = 10.4\%$$

Although it can reasonably be argued that Improvements inside, but near the Park District boundaries in the Antelope area are offset by similar park and recreational improvements provided outside, but near the Antelope area of the Park District's boundaries, we use the more conservative approach of finding that 10.4% of the Improvements may be of general benefit to property outside the Assessment District.

Benefit to Property Inside the District that is Indirect and Derivative

The "indirect and derivative" benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special because the Improvements are clearly "over and above" and "particular and distinct" when compared with the baseline level of service and the unique proximity, access, and views of the Improvements enjoyed by benefiting properties in the Assessment District. Therefore, the indirect and derivative benefit to property within the Assessment District is determined to be zero.

Benefit To The Public At Large

The SVTA decision indicates there may be general benefit "conferred on real property located in the district." A measure of the general benefits to property within the Assessment area is the percentage of land area within the Assessment District that is publicly owned and used for regional purposes such as major roads, rail lines, and other regional facilities because such properties used for regional purposes could provide indirect benefits to the public at large. Approximately 3.5% of the land area in the Assessment District is used for such regional purposes, so this is a measure of the general benefits to property within the Assessment District.

The general benefit to the public at large can be estimated by the proportionate amount of time that the Park District's parks and recreational facilities in the Antelope area are used and enjoyed by individuals who are not residents, employees, customers, or property owners in the Antelope area of the Park District⁶. A survey of park and recreation facility usage conducted by SCI Consulting Group found that 3% of the Park District's facility usage in the Antelope area is by those who do not live or work within the Antelope area of the District boundaries. When people outside the Assessment District use parks, they diminish the availability of parks for people within the Assessment District. Therefore, another 3% of general benefits are allocated to people within the Assessment District. Combining these three measures of general benefits, we find that 9.5% of the benefits from the Improvements are general benefits to the public at large.

Total General Benefits

Using a sum of these three measures of general benefit, we find that approximately 19.9% of the benefits conferred by the Improvements may be general in nature and should be funded by sources other than the assessment, as shown below.

General Benefit Calculation

10.4%	(Outside the Assessment District)
+ 0.0%	(Property within the Assessment District)
+ 9.5%	(Public at Large)
= 19.9%	(Total General Benefit)

Although this analysis finds that 19.9% of the assessment may provide general benefits, the Assessment Engineer establishes a requirement for a minimum contribution from sources other than the assessments of 25%. This minimum contribution above the measure of general benefits will serve to provide additional coverage for any other general benefits.

⁶ . When District facilities are used by those individuals, the facilities are not providing benefit to property within the Park District. Use under these circumstances is a measure of general benefit. For example, a non-resident who is drawn to utilize the Park District facilities and shops at local businesses while in the area would provide special benefit to business properties as a result of his or her use of the Improvements. Conversely, one who uses Park District facilities but does not reside, work, shop or own property within the Park District boundaries does not provide special benefits to any property and is considered to be a measure of the general benefits.

The specified Special Benefit contribution requirement is a minimum, based upon a three-component calculation developed by SCI and well-reviewed by California's Proposition 218 attorneys. However, it is arguably possible that additional general benefits could be identified not captured by the SCI approach. Hence, In order to ensure that the District property owners are not assessed for general benefit, the requirement has been rounded up to 25%. It is the current industry standard and considered best practice to round general benefit calculations up in order to increase property owner/taxpayer protection and account for any uncaptured general benefit.

The Assessment District's total budget for installation, maintenance and servicing of parks and recreational facilities for Fiscal Year 2025-26 is \$1,244,224. Of this total budget amount, the Sunrise Recreation and Park District will contribute \$326,056 from sources other than the assessments. This contribution by the District equates to approximately 26% of the total budget for maintenance and improvements and is equal to or greater than the amount attributable to the general benefits received from the Improvements.

Zones of Benefit

In 2017 the Assessment Engineer conducted a proximity analysis of all assessed parcels and determined that an additional Zone of Benefit should be established for parcels located more than one half mile from the nearest park facility. Therefore, the Assessment District has been modified to include Zone of Benefit A ("Zone A"), which includes all parcels within one-half mile from the nearest park facility, and Zone of Benefit B ("Zone B"), which includes all parcels in the Assessment District that are located more than one-half mile from the nearest park facility. Based on proximity to parks, Parcels in Zone B were determined to receive 86.5% of the overall benefit relative to parcels in Zone A; therefore, the rate for Zone B is 86.5% of the rate for Zone A.

All assessed properties within the Assessment District are within the industry-accepted proximity/service area for parks and recreation facilities. As noted, these proximity radii were specifically established to only encompass properties with good proximity and access to local parks and in effect make local parks within the proximity radii an extension of usable land area for the properties in the area. The benefits from the Improvements within each Zone of Benefit do not vary further based on the proximity of the parcels to the Improvements because the increased benefits of greater proximity to the Improvements are generally offset by a parallel increase in negative factors such as higher levels of traffic, noise, etc. that comes with increased proximity. Consequently, since all parcels in the Assessment District have good access and proximity to the Improvements and the benefits of relatively closer proximity are offset by other factors, additional proximity is not considered to be a factor in determining benefit within each Zone of Benefit. In other words, the boundaries of the Assessment District and the Zones have been narrowly drawn to include only properties that have good proximity and access and will specially benefit from the Improvements.

The SVTA decision indicates:

In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not “particular and distinct” and are not “over and above” the benefits received by other properties “located in the district.”

We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefiting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district’s property values).

In the Assessment District, the advantage that each parcel receives from the Improvements is direct, and the boundaries are narrowly drawn to include only parcels that benefit from the assessment. Therefore, the even spread of assessment throughout each narrowly drawn Zone of Benefit is indeed consistent with the SVTA decision and satisfies the “direct relationship to the ‘locality of the improvement.’” standard.

Method of Assessment

As previously discussed, the assessments provide specific Improvements that confer direct and tangible special benefits to properties in the Assessment District. These benefits can partially be measured by the occupants on property in the Assessment District because such parcel population density is a measure of the relative benefit a parcel receives from the Improvements. Therefore, the apportionment of benefit is partially based on the population density of parcels.

It should be noted that many other types of “traditional” assessments also use parcel population densities to apportion the assessments. For example, the assessments for sewer systems, roads, and water systems are typically allocated based on the population density of the parcels assessed. Moreover, assessments have a long history of use in California and are in large part based on the principle that benefits from a service or improvement funded by assessments that are enjoyed by tenants and other non-property owners ultimately conferred directly to the underlying property.⁷

⁷ For example, in *Federal Construction Co. v. Ensign (1922) 59 Cal.App. 200 at 211*, the appellate court determined that a sewer system specially benefited property even though the direct benefit was to the people who used the sewers: “Practically every inhabitant of a city either is the owner of the land on which he resides or on which he pursues his vocation, or he is the tenant of the owner, or is the agent or servant of such owner or of such tenant. And since it is the inhabitants who make by far the greater use of a city’s sewer system, it is to them, as lot owners or as tenants, or as the servants or agents of such lot

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single-family home, or, in other words, on the basis of Single Family Equivalents (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated an SFE value, which is each property's relative benefit in relation to a single-family home on one parcel. In this case, the "benchmark" property is the single-family detached dwelling which is one Single Family Equivalent or one SFE.

Assessment Apportionment

In the process of determining the appropriate method of assessment, the Engineer considered various alternatives. For example, an assessment only for all residential improved properties was considered but was determined to be inappropriate because commercial, industrial, and other properties also receive direct benefits from the Improvements.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. (For two properties used for commercial purposes, there is clearly a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers, and guests that would benefit from proximity and improved access to well maintained and improved parks and recreational facilities. So the potential population of employees or residents is a measure of the special benefits received by the property.) Larger parcels, therefore, receive an increased benefit from the assessments.

owners or tenants, that the advantages of actual use will redound. But this advantage of use means that, in the final analysis, it is the lot owners themselves who will be especially benefited in a financial sense."

Sunrise Recreation and Park District

Park Maintenance & Recreation Improvement Assessment District, Antelope Area
Engineer's Report, FY 2025-26

As stated previously, the special benefits derived from the assessments are conferred on property and are not based on a specific property owner's use of the improvements, or a specific property owner's occupancy of property, or the property owner's demographic status such as age or the number of dependents. However, it is ultimately people who value the special benefits described above, use and enjoy the Assessment District's park and recreational facilities, and control property values by placing a value on the special benefits to be provided by the improvements. In other words, the special benefits flow to property through property owners and are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at, or otherwise use a property is an indicator of the relative level of special benefit received by a property.

The Engineer determined that the appropriate method of assessment should be based on the type of property, the relative size of the property, and the potential use of property by residents and employees. This method is further described below.

Residential Properties

Certain residential properties that contain a single residential dwelling unit are assigned one single-family equivalent or 1.0 SFE. Traditional houses, zero-lot-line houses, and townhomes are included in this category of single-family residential property.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the improvements in proportion to the number of dwelling units that occupy each property and the average number of people who reside in multi-family residential units versus the average number of people who reside in a single-family home. The population density factors for the Sunrise Recreation and Park District, as depicted below, provide the basis for determining the SFE factors for residential properties. Using the total population in a certain property type in the Antelope area of the District from the 1990 Census (*the most recent data available when the Improvement District was established*) and dividing it by the total number of such households, finds that approximately 3.03 persons occupy each single-family residence, whereas an average of 2.01 persons occupy each multi-family residence. Using the ratio of one Population Factor for each single-family residence equates to one Population Factor for every 3.03 persons. Likewise, each condominium unit receives a 0.76 Population Factor and each mobile home receives a 0.54 Population Factor.

Once established, Population Factors are adjusted to reflect the average structure size of different residential properties. This adjustment is needed because the special benefits are deemed to be relative to the potential population density and average building area per dwelling unit. The average structure size of a single-family residence in the Assessment District is 1,673 square feet, whereas the average multi-family residence is 928 square feet per unit, or 55% of the size of a single-family residence. Likewise, the average condominium unit is 66% of the size of a single-family residence and the average mobile home is 54% of the size of a single-family residence. These Square Footage Factors are applied to the Population Factors to determine the SFE benefit factors for residential properties. Accordingly, multi-family properties with a 0.66 Population Factor and a 55% Square Footage Factor will receive a 0.36 SFE. Likewise, condominium units receive a 0.46 SFE, and mobile homes on separate parcels receive a 0.22 SFE.

Figure 2 – Residential SFE Assessment Factors

	<i>Total Population</i>	<i>Occupied Households</i>	<i>Persons per Household</i>	<i>Population Factor</i>	<i>SqFt Factor</i>	<i>SFE Factor</i>
Single Family Residential	72,073	23,775	3.03	1.00		1.00
Condominium	10,033	4,381	2.29	0.76	0.60	0.46
Multi-Family Residential	20,375	10,136	2.01	0.66	0.55	0.36
Mobile Home	3,902	2,377	1.64	0.54	0.40	0.22

Source: 1990 Census, Citrus Heights area

The SFE factor of 0.36 per dwelling unit for multifamily residential properties applies to such properties with 20 or fewer units. Properties in excess of 20 units typically offer on-site recreational amenities and other facilities that tend to offset some of the benefits provided by the improvements. Therefore the benefit for properties in excess of 20 units is determined to be 0.36 SFE per unit for the first 20 units and 0.10 SFE per each additional unit in excess of 20 dwelling units.

Commercial/Industrial Properties

SFE values for commercial and industrial land uses are based on the equivalence of special benefit on a land area basis between single-family residential property and the average commercial/industrial property. The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously can be measured by the average number of people who work at commercial/industrial properties.

In order to determine employee density factors, the findings from the San Diego Association of Governments Traffic Generators Study (the "SANDAG Study") are used because these findings were approved by the State Legislature as being a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24.

In comparison, the average number of people residing in a single-family home in the area is 3.03. Since the average lot size for a single-family home in the Assessment District is approximately 0.20 acres, the average number of residents per acre of residential property is 15.16.

The employee density per acre is generally over 1.60 times the population density of single-family residential property per acre (24 employees per acre / 15.16 residents per acre). Therefore, the average employee density can be used as the basis for allocating benefit to commercial or industrial property since a commercial/industrial property with 1.60 employees receives generally similar special benefit to a residential property with 1 resident. This factor of equivalence of benefit between 1 resident to 1.60 employees is the basis for allocating commercial/industrial benefit.

Figure 3 shows the average employees per acre of land area or portion thereof for commercial and industrial properties and lists the relative SFE factors per fifth acre for properties in each land use category.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres are determined to be the SFE rate per fifth acre for the first 5 acres and the relevant SFE rate per each additional acre over 5 acres.

Institutional properties that are used for residential, commercial, or industrial purposes are also assessed at the appropriate residential, commercial, or industrial rate.

Figure 3 – Commercial/Industrial Density and Assessment Factors

<i>Type of Commercial/Industrial Land Use</i>	<i>Average Employees Per Acre ¹</i>	<i>SFE Units per 1/5 Acre ²</i>
Commercial	24	1.00
Office	68	2.83
Shopping Center	24	1.00
Industrial	24	1.00
Self Storage or Parking Lot	1	0.05

Source: San Diego Association of Governments Traffic Generators Study.

The SFE factors for commercial and industrial parcels are applied by the fifth acre of land area or portion thereof. (Therefore, the minimum assessment for any assessable parcel in these categories is the SFE Units listed herein.)

Vacant Properties

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties; however, at a lower rate due to the lack of improvements on the property. A measure of the benefits accruing to the underlying land is the average value of land in relation to improvements for developed property. An analysis of the assessed valuation data from the County of Sacramento found that 30% of the assessed value of improved properties is classified as land value. It is reasonable to assume, therefore, that approximately 30% of the benefits are related to the underlying land and 70% are related to the improvements and the day-to-day use of the property. Using this ratio, the SFE factor for vacant parcels is 0.30 per parcel.

A vacant property's value increases when it becomes approved for development by local building departments and planning agencies. Likewise, the special benefit received by vacant property increases as the property is approved for development, or becomes closer to being improved. When property is approved for development with a final map, the property has passed the final significant hurdle to development and can shortly undergo construction. Since the property is nearing the point of development, its special benefits increase. In addition, these properties are generally sold soon after completion of improvements, so the properties receive the additional benefit of desirability from prospective buyers due to the special benefits provided by proximity to improved parks and recreational facilities of the Antelope area of the District. It is therefore determined that property with tentative or final map approval receives 25% of the relative benefit per mapped dwelling unit or mapped parcel acreage compared to improved property of similar use type.

Other Properties

Article XIID stipulates that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment.

Church parcels and property used for educational purposes typically generate employees on a less consistent basis than other non-residential parcels. Many of these parcels also provide some degree of on-site amenities that serve to offset some of the benefits from the Assessment District. In addition, the District maintains reciprocal use arrangements with many educational properties that allow for the public, recreational use of these properties. Such public use tends to reduce the use and wear of Assessment District facilities. Therefore, these parcels receive minimal benefit and are assessed an SFE factor of 1.

Miscellaneous, small, and other parcels such as roads, public right-of-way parcels, wells, reservoirs, or other water rights parcels that cannot be developed into other improved uses, limited access open space parcels, watershed parcels right-of-way parcels, and common areas typically do not generate significant numbers of employees, residents, customers or guests and have limited economic value. These miscellaneous parcels receive minimal benefit from the Improvements and are assessed an SFE benefit factor of 0.

Other publicly owned property that is used for purposes similar to private residential, commercial, industrial, or institutional uses is benefited and assessed at the same rate as such privately owned property.

Duration of Assessment

It is proposed that the Assessment be levied for fiscal year 2002-03 and continued every year thereafter, so long as the parks and recreational areas in the Antelope area need to be improved and maintained, and the Sunrise Recreation and Park District requires funding from the Assessments for its Improvements in the Assessment District. As noted previously, the Assessment can continue to be levied annually after the Sunrise Recreation and Park District Board of Directors approves an annually updated Engineer's Report, budget for the Assessment, Improvements to be provided, and other specifics of the Assessment. In addition, the District Board of Directors must hold an annual public hearing to continue the Assessment.

Appeals of Assessments Levied to Property

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the District Administrator or his or her designee. Any such appeal is limited to the correction of an assessment during the then current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the District Administrator or his or her designee will promptly review the appeal and any information provided by the property owner. If the District Administrator or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the District Administrator or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District Administrator or his or her designee shall be referred to the Board and the decision of the Board shall be final.

Assessment

Whereas, the Board of Directors of the Sunrise Recreation and Park District by its Resolution No. 25-001 adopted on March 19, 2025, ordered the initiation of the proceedings for the continuation of the Park Maintenance and Recreation Improvement District Assessments for fiscal year 2025-26, pursuant to the provisions of the Landscaping and Lighting Act of 1972 and Article XIII D of the California Constitution, to proceed with the proposed levy of assessments;

Whereas, said Resolution directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the Assessment District, and an assessment of the estimated costs of the improvements upon all assessable parcels within the Assessment District, to which Resolution and the description of said proposed improvements therein contained, reference is hereby made for further particulars;

Now, therefore, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of said Sunrise Recreation and Park District, hereby make the following assessment to cover the portion of the estimated cost of said improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for said improvements and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2025-26 is generally as follows:

Figure 4 – Summary Cost Estimate FY 2025-26

Costs:	
Installation, Maintenance and Servicing	\$807,922
Repayment of Financed Park Improvements	\$415,027
Incidental Expenses	\$21,275
Total Costs:	\$1,244,224
Less:	
Contribution from AV Taxes & Interest Income	(\$326,056)
Contribution from Capital Reserve Funds	(\$77,023)
Total Revenue from Other Sources & Reserves:	(\$403,079)
Net Amount to Assessments:	\$841,145

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Assessment District. The distinctive number of each parcel or lot of land in the Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within the Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied and adjusted annually by the minimum of 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

Property owners in the Improvement District approved in an assessment ballot proceeding in 2002 the initial fiscal year benefit assessment for special benefits to their property including the CPI adjustment schedule. As a result, the assessment may continue to be levied annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

Based on the preceding annual adjustments, the maximum possible assessment rate for Fiscal Year 2024-25 was \$70.06 per single-family equivalent benefit unit for Zone A and \$60.60 per single-family equivalent benefit unit for Zone B. The annual change in the CPI from December 2023 to December 2024 was 2.37%, and the unused CPI from the previous fiscal year was 3.32%. Therefore, the maximum authorized assessment rate for Fiscal Year 2025-26 has been increased by 3.00%, which equates to \$72.16 per single-family equivalent benefit unit for Zone A and \$62.42 per single-family equivalent benefit unit for Zone B. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2025-26 at the rate of \$72.16 per single-family equivalent benefit unit for Zone A and \$62.42 per single-family equivalent benefit unit for Zone B, which are the maximum authorized assessment rates.

The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from the improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Sacramento for the fiscal year 2025-26. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of the County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2025-26 for each parcel or lot of land within the Assessment District.

Dated May 21, 2025



Engineer of Work

A handwritten signature in blue ink that reads "John W. Bliss". The signature is written in a cursive style.

By _____

John Bliss, License No. C052091

Assessment Roll for Fiscal Year 2025-26

An Assessment Roll (a listing of all parcels within the Assessment District and the amount of the proposed assessment) is filed with the Secretary of the Board and is, by reference, made part of this report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this report. These records shall govern all details concerning the description of the lots or parcels.

Assessment Diagram

The Assessment District includes all properties within the boundaries of the Assessment Diagram. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Sacramento, for fiscal year 2025-26, and are incorporated herein by reference, and made a part of this Diagram and this Report.

