

**ENGINEER'S REPORT REGARDING PROPOSED
INCREASED BENEFIT ASSESSMENT FOR
COUNTY SERVICE AREA NO. 17, EMPIRE ACRES**

The undersigned submits this written Engineer's Report to the Board of Supervisors of the County of Santa Cruz as follows:

1. Engineer's Report. This Engineer's Report is for an increased benefit assessment set forth below.
2. Authorization. This Engineer's Report is submitted pursuant to Article XIID, Section 4 of the California State Constitution.
3. Purpose of the Assessment. The express purpose for which this benefit assessment is proposed is to provide a source of funding for County Service Area No. 17, Empire Acres, road maintenance and operations.
4. Proposed Funding. The services in this County Service Area No. 17, Empire Acres, are currently funded by a benefit assessment levied under County Service Area law and in accordance with Article XIID of the California State Constitution. Since the benefit assessment was last increased, the cost to maintain the services has increased, and increased assessments are necessary to adequately cover the cost of the services.
5. Necessity for Engineer's Report. This Engineer's Report is required for this proposed increased assessment by the provisions of Article XIID, Section 4 of the California State Constitution.
6. Limitation upon Expending Assessment Proceeds. Any funds collected from the new or increased benefit assessment proposed herein shall be expended only for road maintenance and operations services to benefit the properties within County Service Area No. 17, Empire Acres. Any unexpended funds raised by the assessment remaining at the end of the fiscal year shall be carried over for the same purpose in the next fiscal year.
7. Levy. A benefit assessment to raise revenue to fund services is hereby proposed to be levied upon real property within County Service Area No. 17, Empire Acres, excepting any unbuildable parcels, common areas, and parcels with an assessed value of \$5,000.00 or less.
8. Assessment Rate. Since the assessment was levied, the cost of providing road maintenance and operations has increased. Therefore, an increase in the assessment of \$75 annually is necessary. The rate of assessment for the fiscal year 2025/2026 and the rate for each year following is proposed as follows:

A. \$200 per parcel per year

Common areas, parcels that have been determined to be unbuildable by the Planning Department or Environmental Health regulations, and parcels with an assessed valuation of \$5,000.00 or less, will not be charged.

B. For each fiscal year after 2025/2026, the assessment rate may be increased by a percentage which does not exceed the percentage increase in the Consumer Price Index, All Urban Consumers, for the San Francisco-Oakland-Hayward

Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics, (or in any price index which replaces that index in the future) for the prior calendar year. The assessment rate will be increased only when necessary to meet approved expenses and would not increase automatically each year. If, in any year, the assessment rate is not increased or is increased by an amount less than the increase in the Consumer Price Index, the difference between the rate of the increase in the assessment rate and the rate of increase in the Consumer Price Index will remain available for use in future years to raise the assessment rate as necessary to meet approved expenses.

C. The lien date shall be that prescribed by law.

D. The foregoing schedule and rate is based upon a flat fee for each parcel. The assessment is proportional to the special benefit derived by each identified parcel in relationship to the entirety of the cost of the property related service being provided. No assessment exceeds the reasonable cost of the proportional special benefit conferred on that parcel.

9. Collection. The collection of the proposed assessment shall be by the County of Santa Cruz on behalf of County Service Area No. 17, Empire Acres, in the same manner, and subject to the same penalties, as other fees, charges, and taxes fixed and collected by or on behalf of all County Service Areas. The County may deduct its reasonable costs incurred for that service before resubmittal of the balance to the account of County Service Area No. 17, Empire Acres.

10. Determinations of Engineer's Report. The determinations of this written Engineer's Report for the proposed assessment pursuant to Article XIID, Section 4 of the California State Constitution are as follows:

A. The attached schedule identifies and describes all parcels which have a special benefit conferred on them and on which the new or increased assessment will be imposed, and sets forth the amount of the assessment for each parcel for the initial fiscal year,

B. The proportionate special benefit derived by each identified parcel in relationship to the entirety of the cost of the road maintenance and operations service to be provided is as set forth on the attached schedule,

C. No assessment is imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel, and

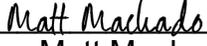
D. The only benefits assessed are special and any general benefits have been separated from the special benefits conferred on each parcel.

11. Ballot Procedure. As required by Section 4 of Article XIID of the California State Constitution, a Property Owner Ballot must be enclosed with the notice of the proposed assessment. This ballot may be used by the owner(s) or by the tenant(s) who are directly liable for payment of the assessment in question of any parcel to express either support for or opposition to the proposed assessment. The ballot instructions will describe the alternative methods for submitting the ballot by mail or by personal delivery, either prior to or at the time of the public hearing of protests.

Upon the close of the public hearing, the returned ballots will be tabulated, both in support of and in opposition to the assessment, with ballots being weighted in accordance with the

amount of the proposed assessment, and the results will be announced; provided that, in the event additional time is required to determine whether any ballot has been properly tabulated or to tabulate all the votes, the Board may continue the matter of announcing results to provide such additional time. In the event that ballots in opposition exceed ballots in support, there will be a "majority protest," and the Board will be precluded from proceeding with the proposed increased assessment. Based on the foregoing, the undersigned registered engineer submits this written Engineer's Report and recommends adoption of the proposed assessment.

Dated: 1/2/2025

DocuSigned by:


50120A513-9EB6-414A-8F40-61460DBEFCE6
Matt Machado

Director of Community Development & Infra

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Matt Machado
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 Director of Community Development & Infrastructure
 County of Santa Cruz
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Signature

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