CITY OF MOUNTAIN VIEW PUBLIC WORKS DEPARTMENT DOWNTOWN PARKING MAINTENANCE AND OPERATION ASSESSMENT DISTRICT FISCAL YEAR 2020-21

STATEMENT OF THE ENGINEER OF RECORD

By:
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ASSISTANT PUBLIC WORKS DIRECTOR/CITY ENGINEER

Presented by:
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BUSINESS DEVELOPMENT SPECIALIST

JUNE 23, 2020

<u>Note</u>: The City Attorney has indicated that it is appropriate to adopt a motion to waive the reading of this statement at the public hearing.

A. <u>Introductory Comments</u>

With your permission, I would like to read a prepared statement relative to this project. For the purpose of this presentation and during the conduct of this hearing, I am acting on behalf of the City Engineer for this assessment district. The statement presented tonight was prepared by the City Engineer. It has been reduced to writing and has been filed with the City Clerk as part of the records of these proceedings.

B. Qualifications of Engineer

The City Engineer for the City of Mountain View has been designated Engineer for this assessment district. The City Engineer is a registered civil engineer in the State of California.

C. <u>History</u>

When Parking District No. 2 was formed in 1959, a property value base rate was set to cover the bond redemption cost as well as operation, maintenance, and future capital improvement costs. Each succeeding year, a rate was set to cover the expected expenditures. The passage of Proposition 13 in 1978 reduced the tax rate to an override rate sufficient only to cover the Parking District bond redemption. For operation and maintenance during Fiscal Year 1978-79, the District received a proportional share of the general Countywide property tax, plus some State bailout funds, and was left with a deficit. In order to restore adequate funding to maintain and operate the Parking District, the formation of a Downtown Parking Maintenance and Operation Assessment District was proposed and adopted on July 30, 1979 based on the level of benefit properties within the Parking District received from off-street public parking. This practice of funding has continued using the same assessment formula and is being proposed for continuance tonight.

D. Operation and Maintenance Budget

The 2020-21 proposed operation and maintenance budget is \$803,759. The proposed 2020-21 budget includes the cost of maintaining and operating all District parking facilities. It is proposed that the District will generate \$1.87 million from unrestricted revenues available to the District and includes the \$158,606 from the assessments.

E. <u>Description of Assessment District</u>

The Downtown Parking Maintenance and Operation Assessment District provides the financing of a portion of the cost of operating and maintaining the off-street public parking facilities located in Parking District No. 2. It was determined that properties within the boundaries of the Downtown Parking Maintenance and Operation Assessment District benefit from the maintenance and operation of the public off-street parking lots and, therefore, should be assessed wholly or for a portion of the operation and maintenance costs. In general, benefits include the availability of convenient, attractive, and free public parking; breezeway access; lighting; landscaping; and enhancement of property values.

F. Assessment Formula

The assessment formula adopted on July 30, 1979 has been uniformly applied to all parcels within the Assessment District. The formula distributes costs commensurate with each parcel's portion of special benefits to be received. Each assessment is comprised of two components – one based on land use and a second based on parcel area. Approximately 75 percent of the annual maintenance and operation costs have been assessed on the basis of land use, while the remaining 25 percent has been assessed on the basis of parcel area. The land use component is based on the total number of off-street parking spaces required by a given land use according to the City of Mountain View Zoning Ordinance. Individual properties generate widely varying demands for parking, depending on their land use and gross floor areas. The Zoning Ordinance provides objective criteria for assessing similar land uses where there may be slight variations in the actual demand or other factors. By applying the Zoning Ordinance provision for required off-street parking spaces, those properties which generate a higher parking demand and which, therefore, receive greater benefits are assessed proportionately more than properties which generate a small parking demand. Vacant buildings are assessed according to their most recent land use. For properties which have more than one land use, the assessment is calculated for each land use and then added to get the total assessment for this component. The parcel square foot component is based upon special benefits which all properties receive from the public parking lots. All properties benefit from alley access, lighting, and landscaping. Properties which fulfill their parking requirement on-site benefit as well by the additional parking spaces available to customers in a convenient location. In addition, the value of property is enhanced by the availability of attractive, convenient, and free public parking. Finally, these revenues make it unnecessary to install parking meters or other means of charging customers for parking.

G. Public Notice

All property owners have been legally notified of the date, time, and place of the public hearing, and the amount of their proposed assessment.

H. Benefits

On the basis of my past experience and knowledge of the conditions within the District, it is my belief that the various properties within the District will benefit in an amount equal to or greater than the assessment. It is my opinion that the amount of the assessment on each assessment parcel properly reflects the benefits to be derived from that parcel as fair and equitable. Only those properties which benefit from the maintenance and operation have been included within the Assessment District, and no properties receiving benefits, therefore, have been omitted. The Assessment District formula is reasonable, fair, and just, and the resulting assessments are substantially less than, but in proportion to, the benefits which the assessed properties will receive. All maps and the exhibit referred to during this presentation are hereby filed with the City Clerk and made part of the record of these proceedings.

I. Protests

At the time this statement was prepared, no protests had been received.

Edward Arango Assistant Public Works Director/City Engineer

Date: <u>June 23, 2020</u>

EA/TC/6/PWK 822-06-23-20SER