



# Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Arthur Aladjadjian, Public Works Superintendent

Reviewed by: Robert DuBoux, Public Works Director/City Engineer

Approved by: Steve McClary, City Manager

Date prepared: June 2, 2022

Meeting date: June 27, 2022

Subject: Assessment District 98-3 (Malibu Road)

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**RECOMMENDED ACTION:** 1) Conduct the Public Hearing; and 2) Adopt Resolution No. 22-28 levying an assessment for the maintenance, repair and improvements works, systems and facilities of Assessment District 98-3 (Malibu Road) for Fiscal Year 2022-2023.

**FISCAL IMPACT:** There is no fiscal impact associated with the recommended action. All revenues and expenditures are recorded in Malibu Road Landslide Maintenance District Fund 291. The total District levy for Fiscal Year 2022-2023 is \$62,357 for continued maintenance and improvements, with each Benefit Assessment Unit (BAU) per single family household assessed at \$623.57 (see Table IV-1 on page 5 of Assessment Engineer's Report – Attachment 1). The maximum allowable assessment amount is \$623.57 per BAU, which includes an allowed annual increase set by the Consumer Price Index, not to exceed 5%. The annual assessment of \$623.57 per BAU for Fiscal Year 2022-2023 is an increase of \$59.38 and \$29.69 per Zone A and Zone B household, respectively, over the 2021-2022 assessment of \$593.88. The proposed increase is 5% from Fiscal Year 2021-2022.

**WORK PLAN:** This item was included as item 8d in the Adopted Work Plan for Fiscal Year 2021-2022.

**DISCUSSION:** The City administers the Malibu Road Landslide Assessment District on behalf of the District's homeowners. The District was originally established by Los Angeles County as County Service Area No. 2 with the purpose of improving the stability of the landslide activated by the heavy winter storms in 1977-1978. As a result of the "El

Nino” storms in 1998 and landslide movement, the City Council formed Assessment District 98-3 (Malibu Road) pursuant to the Municipal Improvement Act of 1913. This District was formed to construct new dewatering facilities and also to take over maintenance of the entire dewatering system, replacing the maintenance function of the original Los Angeles County assessment district.

Yeh & Associates, Inc., under contract with the City of Malibu, monitors and maintains the District facilities that include 14 dewatering wells, 24 hydraugers, and numerous slope inclinometers and standpipe piezometers. The dewatering wells and hydraugers lower the groundwater level in the landslide area, thereby improving the stability of the hillside. Readings from the hydraugers are recorded on a monthly basis. Discharge volume is recorded from the dewatering wells on a monthly basis. Water levels are measured within the inclinometers/standpipe piezometers on a monthly basis. Monitoring of subsurface land movement is done using the slope inclinometers, drilled into the ground to depths up to 80 ft. The inclinometers are recorded on a quarterly to annual basis.

For the upcoming fiscal year, anticipate work budgeted includes recording discharge from dewatering wells and hydraugers, slope inclinometer surveys, crack and ground surface monitoring, groundwater level monitoring, performing maintenance to dewatering wells, hydraugers, collection piping, and equipment and data management, administration, and reporting. Proposed capital improvement projects being coordinated for the next year includes repair to a damaged vault and improvements to discharge pipe connections, upgraded flow meter equipment to facilitate remote readings, aerial survey, and design for surface drainage improvements.

Both the Annual Assessment District report and the Annual Maintenance District reports are posted on the City’s website. In June 2022, a letter was sent to all property owners in the district advising them of the availability of these reports (Attachment 2).

#### ATTACHMENTS:

1. Resolution No. 22-28
2. Letter sent to property owners on availability of Annual Assessment District Report for 2022-2023 and Maintenance District Report
3. Notice of Public Hearing

## RESOLUTION NO. 22-28

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU LEVYING AN ASSESSMENT FOR THE MAINTENANCE, REPAIR AND IMPROVEMENT OF WORKS, SYSTEMS AND FACILITIES OF ASSESSMENT DISTRICT NO. 98-3 (MALIBU ROAD) FOR FISCAL YEAR 2022-2023

The City Council of the City of Malibu does hereby find, order and resolve as follows:

#### SECTION 1. Recitals.

- A. The City Council of the City of Malibu, State of California, did on May 11, 1998, adopt its resolution of intention, Resolution No. 98-036, pursuant to the Municipal Improvement Act of 1913, Division 12 of the Streets and Highways Code (commencing with Section 10000) (the "1913 Act") and the alternative proceedings under the Special Assessment Investigation, Limitation and Majority Protest Act of 1931, Part 7.5 of Division 4 of the Streets and Highways Code (commencing with Section 2960), for the reconstruction and annual maintenance of certain public improvements, together with appurtenances and appurtenant work in connection therewith (collectively, the "Improvements"), in a special assessment district known and designated as Assessment District No. 98-3 (Malibu Road) (hereinafter referred to as the "Assessment District").
- B. Section 5 of the Resolution of Intention No. 98-036 declared the Council's intention to levy an assessment to maintain, repair or improve the Improvements pursuant to Section 10100.8 of the 1913 Act.
- C. On June 29, 1998, the City Council adopted Resolution No. 98-053 confirming assessments and ordering improvements made for Assessment District No. 98-3.
- D. The City Council proposes to levy an assessment for the maintenance, repair and improvement of the Improvements for Fiscal Year 2022-2023 pursuant to the authorization contained in Section 5 of the Resolution of Intention No. 98-036.
- E. The City Clerk fixed a time and place for a public hearing relating to the proposed assessment.
- F. At the time set for the public hearing, all comments, objections and protests were duly heard and considered.
- G. All evidence, both oral and written, relative to the necessity for the proposed assessment was heard and considered.
- H. The City Council is now satisfied as to the proposed assessment.
- I. The City Council previously designated the City Engineer to perform the duties of the Superintendent of Streets for purposes of the proceedings in connection with the annual levy of assessments for the maintenance and repair or improvement of the Improvements pursuant to Section 10100.8 of the 1913 Act.

SECTION 2. The Annual Assessment Report for Assessment District No. 98-3, City of Malibu, Malibu Road, dated June 27, 2022 (Attachment A) is hereby accepted.

SECTION 3. The City Council hereby approves the estimate of expenditures for the maintenance, repair and improvement of the Improvements for Fiscal Year 2022-2023 as shown on Exhibit A of the Annual Assessment Report, attached hereto and incorporated herein by reference. The City Council hereby determines to levy and collect a special assessment in the amount of the estimate of expenditures contained in Exhibit B of Engineer's Report, attached hereto and incorporated herein by reference, such special assessment to provide for the maintenance, repair and improvement of the Improvements for Fiscal Year 2022-2023.

SECTION 4. The apportionment and the method of spread of the special assessment, as shown in Exhibit C of Engineer's Report, attached hereto and incorporated herein by reference, are hereby approved and adopted as being a correct and proper apportionment, the assessment having been spread in accordance with benefits to be received.

SECTION 5. The assessments set forth in Exhibit B of Engineer's Report, attached hereto and incorporated herein by reference, are hereby confirmed and the City Council hereby determines that the assessments as set forth in Exhibit B shall be levied, collected and enforced at the same time, in the same manner, by the same officers, and with the same interest and penalties as in the case of the assessment levied to pay for the Improvements.

SECTION 6. The City Council hereby finds that, due to the marginal stability of the Malibu Road area and the nature of the Malibu Road landslide mitigation system and facilities, the approved maintenance, repair and improvement expenses have to be incurred in order to maintain the level of benefit to the assessed parcels. The City Council further finds that the level of benefit derived from the Improvements would otherwise decline more rapidly than usual for other public works of the type involved because of the circumstances which do not ordinarily affect such public works, to wit, geologic instability.

SECTION 7. The City Council hereby finds that notice of the time and place of the public hearing regarding the proposed assessment has been given as required by law.

SECTION 8. A special fund was established to be maintained and administered in accordance with the provisions of Section 10100.8 of the 1913 Act, into which all payments received upon the assessment shall be deposited.

SECTION 9. The officers of the City are hereby authorized and directed to take such actions as may, in the view of such officers, be necessary or appropriate to implement the matters contemplated by this resolution and the other documents and instruments related thereto.

SECTION 10. The levy of the proposed assessment is for the maintenance, repair or minor alteration of existing facilities to provide landslide mitigation services. Therefore, the City Council hereby finds that the assessment and this Resolution have no significant effect on the environment for the purposes of the California Environmental Quality Act ("CEQA"). The assessment and this Resolution are therefore exempt from CEQA pursuant to Title 14 of the California Code of Regulations Section 15061 (b) (3) and Section 15301.



SECTION 11. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED this 27<sup>th</sup> day of June 2022.

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PAUL GRISANTI, Mayor

ATTEST:

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KELSEY PETTIJOHN, City Clerk  
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED  
BY THE CITY ATTORNEY'S OFFICE  
JOHN COTTI, Interim City Attorney

ATTACHMENT A

CITY OF MALIBU  
ASSESSMENT DISTRICT NO. 98-3  
MALIBU ROAD

ANNUAL ADMINISTRATION REPORT  
FY 2022-2023

June 27, 2022

PREPARED FOR:  
City of Malibu  
Public Works Department  
23825 Stuart Ranch Road  
Malibu, CA 90265-4861

PREPARED BY:  
30 Three Sixty Public Finance, Inc.  
5860 Owens Avenue, Suite 210  
Carlsbad, CA 92009



TABLE OF CONTENTS

I. Introduction ..... 1

II. Background ..... 2

III. Facilities and Maintenance Financed ..... 3

IV. Cost Estimate ..... 4

V. Annual Assessments and Diagram..... 6

Exhibit A      Budget and Cost Estimate

Exhibit B      Assessment Roll

Exhibit C      Method of Assessment

Exhibit D      Assessment Diagram

## I. Introduction



This report provides an analysis of the financial and administrative obligations of Assessment District No. 98-3 (Malibu Road) ("AD No. 98-3" or the "District") to be paid through the collection of assessments in fiscal year (FY) 2022-2023.

This report is organized into the following sections:

### **Section I - Background**

Section I provides information regarding the formation of AD No. 98-3.

### **Section II - Facilities and Maintenance Financed**

Section II provides information regarding the facilities and maintenance financed by AD No. 98-3.

### **Section III - Cost Estimate**

Section III presents the projected budget for FY 2022-2023, the budget for FY 2021-2022, and projected year-end costs for maintenance of the landslide maintenance facilities.

### **Section IV - Annual Assessments**

Section IV contains the proposed assessment of the total FY 2022-2023 maintenance costs upon the parcels within AD No. 98-3 in proportion to the estimated benefits to be received by such parcels from said maintenance, and a reduced copy of the assessment diagram.

## II. Background



On February 26, 1981, the Board of Supervisors of the County of Los Angeles (the "Board") established County Service Area (CSA) No. 2 pursuant to the County Service Area Law (Government Code Sections 25210.1 et. seq.). CSA No. 2 was formed to provide a source of funding for the installation of a system of permanent pumps for wells (installed in response to the 1978 storms) and other facilities in addition to funding the maintenance of these wells and facilities. Upon incorporation of the City of Malibu, the CSA ceased to exist, and the City became responsible for the operation and maintenance of these facilities.

As part of the City's maintenance of the existing system of improvements, the City's Geotechnical Consultant monitors ground movement, dewatering activities, groundwater levels, and water usage within AD No. 98-3. As a result of the intense winter storms of 1997- 98, the City's Geotechnical Consultant recommended new analysis of the reactivated landslide plane and reconstruction of the existing dewatering and monitoring system, including installation of the following: a new surface conveyance line, additional dewatering wells, hydraugers, and slope inclinometers.

On June 29, 1998, the City Council of the City of Malibu held a public hearing regarding the Resolution of Intention and Engineer's Report for the reconstruction and annual maintenance of these improvements by AD No. 98-3. A majority of the assessment ballots tabulated at the public hearing were in favor of the assessment and a Resolution approving the Engineer's Report, confirming the assessments, and ordering the construction of the improvements was adopted.

### III. Facilities and Maintenance Financed

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The City proposes to levy assessments in FY 2022-2023 to finance the inspection, maintenance and repair of the following facilities and activities:

- Dewatering wells (14 each);
- Monitoring wells (15 each);
- Hydraugers (24 each);
- Slope inclinometers (5 each); and
- Energy costs.

#### IV. Cost Estimate



The maximum annual assessment for FY 2022-2023 is \$623.57 per benefit assessment unit which reflects an increase of 5.00%. The maximum annual increase in the maximum assessment is limited to the percentage change in the Consumer Price Index, All Urban Consumers, Los Angeles-Long Beach-Anaheim, CA (the "CPI") or 5.00%. The change in the CPI is 8.50%. The benefit assessment units applicable to each parcel depend upon land use.

The FY 2022-2023 budget is \$76,431, which consists of costs for operation/maintenance, replacement/special projects, energy, and administration. This is based on projected needs for an average rainfall year. In addition to estimated costs, the assessment levy includes reserves to cover possible expenses associated with an above-average rainfall year and delinquent assessments. Any funds not used in the current year are held in the assessment district account and applied to the next fiscal year. The desired wet-year contingency is equal to 100% of costs for operation/maintenance and replacement/special projects for an above-average rainfall year, or \$62,500. However, the actual wet-year contingency for FY 2022-2023 is limited to \$42,970, or 68.75% of the full wet-year contingency as the maximum annual assessments are insufficient to fund the full amount.

The budgeted reserves, including reserves for estimated delinquent assessments, are approximately \$46,583 or 60.95% of the estimated FY 2022-2023 budget (68.75% of costs for operation/maintenance and replacement/special projects for an above-average rainfall year and 5.79% of the total assessment for a delinquency contingency based upon the FY 2021-2022 delinquency rate). The total amount necessary to cover the budget costs and reserves is \$123,014; subtracting the estimated FY 2021-2022 year-end fund balance of \$60,657 from this amount results in a desired assessment levy of \$62,357.

The number of benefit assessment units applicable to each parcel depends upon location and land use. Properties located within Zone A are assigned benefit assessment units for both slide protection and road access. Properties located within Zone B are assigned benefit units for slide protection only. A comparison of FY 2022-2023 and FY 2021-2022 assessment amounts by zone and for selected land uses is shown in Table IV-1 below.

#### IV. Cost Estimate



TABLE IV-1					
CITY OF MALIBU ASSESSMENT DISTRICT No. 98-03 (MALIBU ROAD)					
SUMMARY OF ANNUAL MAINTENANCE ASSESSMENT					
ZONE/LAND USE	BENEFIT UNITS	ACTUAL ANNUAL ASSESSMENT		MAXIMUM ANNUAL ASSESSMENT	
		FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23
Zone A – Protection & Access					
Single Family Home	2.00	\$1,187.76	\$1,247.14	\$1,187.76	\$1,247.15
Condominium/Apartment	1.65	\$979.90	\$1,028.89	\$979.90	\$1,028.90
Zone B – Access Only					
Single Family Home	1.00	\$593.88	\$623.57	\$593.88	\$623.57
Condominium/Apartment	0.65	\$386.02	\$405.32	\$386.02	\$405.32
Total Budget		\$59,387.98	\$62,356.98	\$59,387.98	\$62,356.98
Total Benefit Units		100.00	100.00	100.00	100.00



## V. Annual Assessment and Diagram

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### A. Annual Assessments

Pursuant to the provisions of law, the costs and expenses of the facilities inspection, maintenance, and repair to be performed in AD No. 98-3 have been assessed to the parcels of land benefited thereby in direct proportion and relation to the estimated benefits to be received by each of said parcels. For particulars as to the identification of said parcels, reference is made to the Assessment Roll, a copy of which is attached hereto as Exhibit B. For particulars as to the determination of benefit, reference is made to the Method of Assessment, a copy of which is attached hereto as Exhibit C.

### B. Assessment Diagram

The assessment diagram is attached hereto as Exhibit D.

EXHIBIT A

BUDGET AND COST ESTIMATE

CITY OF MALIBU ASSESSMENT DISTRICT No. 98-03 (MALIBU ROAD)		
FISCAL YEAR 2022-2023 BUDGET		
FISCAL YEAR 2021-22 RESOURCES <sup>(a)</sup>		
1	Beginning Fund Balance (Audited)	\$83,387.00
2	Assessment Proceeds <sup>b</sup>	\$55,947.13
3	Total FY 2021-2022 Resources Available (Line 1 + Line 2)	\$139,334.13
FISCAL YEAR 2021-22 EXPENDITURES <sup>(a)</sup>		
4	Operation & Maintenance and Other Expenditures (Projected)	(\$78,677.00)
5	FY 2021-2022 Ending Fund Balance (Line 3 + Line 4)	\$60,657.13
FISCAL YEAR 2022-23 EXPENDITURES <sup>(a)</sup>		
6	Estimated Operation/Maintenance and Replacement/Special Projects (See attached FY 2022-2023 Cost Estimate)	(\$62,500.00)
7	Estimated City Administration and Energy Costs (See attached FY 2022-2023 Cost Estimate)	(\$13,931.00)
8	Reserve Amount <sup>(c)</sup> (68.752384% x Line 6)	(\$42,970.24)
9	Delinquency Contingency <sup>(d)</sup> (5.79% x Line 11)	(\$3,612.87)
10	Total FY 2022-2023 Expenditures	(\$123,014.11)
11	Assessment (Line 5 + Line 10)	\$62,356.98
12	Estimated FY 2022-2023 Surplus/Deficit (Line 5 + Line 10 + Line 11)	\$0.00
<sup>(a)</sup> Numbers in parentheses represent expenditures. Positive numbers represent revenue sources. <sup>(b)</sup> Reflects the estimated assessment revenue collected by the County Tax-Collector through April 18, 2022. <sup>(c)</sup> Desired reserve amount for above average rainfall and other unknowns is equal to 100.00% of FY 2022-2023 estimated operation/maintenance and replacement/special projects. The actual funded reserve amount is equal to 68.75% of FY 2022-2023's estimated expenditures. <sup>(d)</sup> Desired delinquency contingency is equal to 5.79% (FY 2021-2022 delinquency rate) multiplied by FY 2022-2023's assessment. Delinquency contingency is funded at the desired amount.		

APPENDIX A				
CITY OF MALIBU ASSESSMENT DISTRICT No. 98-03 (MALIBU ROAD)				
FY 2022-23 MAINTENANCE COST ESTIMATE				
TASK	FY 2021-22 BUDGET SUMMARY	FY 2021-22 PROJECTED YEAR END COSTS	FY 2022-23 BUDGET SUMMARY	% CHANGE
<b>I. CITY ADMINISTRATION</b>				
REPORT PREPARATION, ASSESSMENT ROLL, NOTICING	\$2,847.00	\$2,847.00	\$4,950.00	73.87%
PROJECT ADMINISTRATION	\$7,020.00	\$7,020.00	\$7,371.00	5.00%
LEGAL FEES	\$300.00	\$300.00	\$300.00	0.00%
TAX COLLECTOR'S FEE	\$10.00	\$10.00	\$10.00	0.00%
SUBTOTAL	\$10,177.00	\$10,177.00	\$12,631.00	24.11%
<b>II. DEWATERING SYSTEM MONITORING AND MAINTENANCE</b>				
MONITORING <sup>(a)</sup>	\$16,000.00	\$16,000.00	\$16,000.00	0.00%
MAINTENANCE <sup>(b)</sup>	\$14,500.00	\$14,500.00	\$14,500.00	0.00%
DATA MANAGEMENT	\$6,500.00	\$6,500.00	\$6,500.00	0.00%
REPORTING <sup>(c)</sup>	\$4,500.00	\$4,500.00	\$4,500.00	0.00%
PUBLIC OUTREACH	\$1,000.00	\$1,000.00	\$1,000.00	0.00%
EMERGENCY SERVICES	\$0.00	\$0.00	\$0.00	N/A
ADMINISTRATION	\$5,000.00	\$5,000.00	\$5,000.00	0.00%
FACILITY INVENTORY	\$0.00	\$0.00	\$0.00	N/A
SUBTOTAL	\$47,500.00	\$47,500.00	\$47,500.00	0.00%
<b>III. CAPITAL IMPROVEMENT REPLACEMENTS &amp; SPECIAL PROJECTS</b>				
BRUSH, BAIL, VIDEO LOG (W-6, W-8, W-9, W-10)	\$13,000.00	\$3,500.00	\$0.00	-100.00%
BUILD PROTECTION AROUND ELECTRICAL BOXES ON MALIBU ROAD	\$7,000.00	\$15,000.00	\$0.00	-100.00%
TRANSDUCERS	\$0.00	\$1,500.00	\$1,500.00	0.00%
W-6 ELECTRONICS AND VAULT REPAIRS/REPLACEMENT	\$0.00	\$0.00	\$8,500.00	N/A
AERIAL LIDAR	\$0.00	\$0.00	\$0.00	N/A
DESIGN FOR SURFACE DRAIN IMPROVEMENTS	\$0.00	\$0.00	\$5,000.00	N/A
SUBTOTAL	\$20,000.00	\$20,000.00	\$15,000.00	-25.00%
<b>IV. ENERGY</b>	\$1,000.00	\$1,000.00	\$1,300.00	30.00%
<b>V. GRAND TOTAL</b>	\$78,677.00	\$78,677.00	\$76,431.00	-2.85%
<sup>(a)</sup> Monitoring: dewatering wells, monitoring wells, hydraugers, slope inclinometers, and surface survey.				
<sup>(b)</sup> Maintenance: dewatering wells, hydraugers, slope inclinometers, conveyance piping, and miscellaneous repairs.				
<sup>(c)</sup> Reporting: annual LAD report.				

**EXHIBIT B**

**ASSESSMENT ROLL**

CITY OF MALIBU ASSESSMENT DISTRICT NO. 98-03 (MALIBU ROAD)  FISCAL YEAR 2022-23 ASSESSMENT ROLL			
ASSESSOR'S PARCEL NUMBER	ASSESSMENT NUMBER	BAU	FY 2022-23 ASSESSMENT
4459-013-001	A11	2.00	\$1,247.14
4459-013-002	A12	2.00	\$1,247.14
4459-013-021	B01	1.00	\$623.57
4459-014-001	A10	2.00	\$1,247.14
4459-014-002	A09	2.00	\$1,247.14
4459-014-003	A08	2.00	\$1,247.14
4459-014-004	A07	2.00	\$1,247.14
4459-014-005	A06	2.00	\$1,247.14
4459-014-006	A05	2.00	\$1,247.14
4459-014-007	A04	2.00	\$1,247.14
4459-014-008	A03	2.00	\$1,247.14
4459-014-009	A02	2.00	\$1,247.14
4459-014-010	A01	2.00	\$1,247.14
4459-014-018	B02	1.00	\$623.57
4459-016-012	A13	2.00	\$1,247.14
4459-016-013	A14	2.00	\$1,247.14
4459-016-014	A15	3.30	\$2,057.78
4459-016-015	A16	6.60	\$4,115.56
4459-016-016	A17	3.30	\$2,057.78
4459-016-017	A18	4.95	\$3,086.67
4459-016-018	A19	4.95	\$3,086.67
4459-017-002	A24	6.60	\$4,115.56
4459-017-003	A25	2.00	\$1,247.14
4459-017-004	A26	8.25	\$5,144.45
4459-017-005	A27	2.00	\$1,247.14
4459-017-006	A28	8.25	\$5,144.45
4459-017-019	A21	1.65	\$1,028.89
4459-017-020	A20	1.65	\$1,028.89
4459-017-021	A22	1.65	\$1,028.89
4459-017-022	A23	1.65	\$1,028.89
4459-017-030	A30	1.65	\$1,028.89

CITY OF MALIBU ASSESSMENT DISTRICT NO. 98-03 (MALIBU ROAD)  FISCAL YEAR 2022-23 ASSESSMENT ROLL			
ASSESSOR'S PARCEL NUMBER	ASSESSMENT NUMBER	BAU	FY 2022-23 ASSESSMENT
4459-017-031	A31	1.65	\$1,028.89
4459-017-032	A32	1.65	\$1,028.89
4459-017-033	A33	1.65	\$1,028.89
4459-017-039	A29-A	1.65	\$1,028.89
4459-017-040	A29-B	1.65	\$1,028.89
4459-017-041	A29-C	1.65	\$1,028.89
4459-017-042	A29-D	1.65	\$1,028.89
		100.00	\$62,356.98

EXHIBIT C

METHOD OF ASSESSMENT APPORTIONMENT



#### **Method of Spread of Assessment**

Assessments levied pursuant to the Municipal Improvement Act of 1913 (hereinafter referred to the "Act") must be based on the benefit which each property receives from the system of improvements. Furthermore, as a result of Proposition 218, more stringent standards have been imposed for determining benefit. For example, Proposition 218 requires that special and general benefits be separated, with the amount of any assessment limited to the special benefits so conferred. Neither the Act nor Proposition 218 specify the method or formula for apportioning benefit or distinguishing special from general benefits.

Identification of the benefit the reconstruction and maintenance of the system of improvements will render to the properties in the Assessment District is the first step in developing the assessment spread methodology. The next step is to determine if the properties in the Assessment District receive a direct and special benefit from the system of improvements which is distinct from benefit received by the general public. For this Assessment District these determinations were made by David Taussig & Associates, the Assessment Engineer; in consultation with the City's Geotechnical Consultant; and the City of Malibu Public Works Department.

#### **Project Need**

The primary purpose of the dewatering and monitoring system to be reconstructed and maintained by the AD No. 98-3 is the reduction of groundwater from rainfall and residential effluent percolating down to the slide plane. This reduction in groundwater stabilizes the landslide outlined on the assessment diagram attached as Exhibit D. Stabilization of the landslide plane provides two distinct types of benefit to property within AD No. 98-3: protection of the property (i.e., the parcels) located on the slide plane and protection of the roads within the District.

#### **Assessment District Boundary**

The District boundary as shown in Exhibit D was established to encompass those properties which are specifically benefited by the system of improvements. This includes all properties which are located in whole or in part within the ancient landslide area and all properties which are accessed via streets within the landslide area.

#### **Specific Benefit**

The system of improvements to be installed and maintained by the District specifically benefit the properties within the District in two distinct ways: protection of the property and protection of the roads. First, the dewatering system protects properties located within the ancient slide boundary by reducing the risk and degree of damage or distress suffered from slope failure and/or movement (the "protection" benefit). Second, access is maintained for those properties which are reached using roads affected by the slide (the "access" benefit). The benefits associated with Protection and Access are deemed to be equal, since use of the property cannot be fully enjoyed without either one.

Malibu Road is currently a one-way road conveying traffic to the west. However, in the event the road was blocked by a landslide event, the traffic pattern could be changed to allow access from the east, to properties located west of the slide area. Therefore, there is no general benefit to the public and the Access benefit is specific to the properties within the slide area. Clearly, stabilization of the slide confers a special benefit enjoyed only by the properties which may be impacted by slope failure or movements. The April 1998 analysis prepared by City's Geotechnical Consultant, indicates the impacted properties

are all located either within or on the slide boundary, or are located within the ancient slide boundary and would become unstable in the event of a landslide.

#### Method of Assessment

After the boundary of the District has been established and the determination of specific benefits has been made, the assessment to individual properties must be determined. As previously discussed, there are two types of direct and special benefit conferred upon property within the District, Protection and Access. Since not all properties receive both benefits, two zones have been established to distinguish those properties which only receive Access benefits from those which are within or on the ancient slide boundary and receive Protection benefits and Access benefits. Zone A encompasses those properties which receive both Protection and Access benefits, whereas Zone B encompasses those properties which receive Protection benefits only.

Protection benefits are allocated based on land use designation. The reason for this allocation is twofold. First, the proposed system of improvements has been sized to provide adequate dewatering capacity at full buildout. Second, the Protection benefit conferred upon each parcel of property is a function of each parcel's land use designation and number of dwelling units. Each dwelling unit is deemed to be equally protected, therefore, no differentiation is made between single family or condominium/apartment units. For purposes of assigning Protection Benefits to each parcel, one dwelling unit equals one Benefit Assessment Unit (BAU).

Access benefits are allocated to each parcel of land based on the estimated number of trips for that parcel's land use designation. Trip factor source data are from the Institute of Transportation Engineers Trip Generation study (5th Edition). The trip generation factors are shown below:

TABLE C-1		
TRIP GENERATION FACTORS AND BENEFIT ASSESSMENT UNITS		
LAND USE	AVERAGE WEEKDAY TRIPS/UNIT	BENEFIT ASSESSMENT UNITS (BAUs)
SINGLE-FAMILY	9.55	1.00
CONDOMINIUM/APARTMENT	6.23	0.65

Examples of the assignment of benefit assessment units are provided below for four different parcels: (1) a single family residential parcel in Zone A, (2) a single family residential parcel in Zone B, (3) a parcel with a single condominium unit in Zone A, and (4) a parcel with four apartment units in Zone A.

1. Single Family Residential Parcel in Zone A  
BAU for Protection Benefit 1.00  
BAU for Access Benefit 1.00  
Total BAUs 2.00

2.	Single Family Residential Parcel in Zone B	
	BAU for Protection Benefit	1.00
	BAU for Access Benefit	<u>0.00</u>
	Total BAUs	1.00
3.	Parcel with Single Condominium Unit in Zone A	
	BAU for Protection Benefit	1.00
	BAU for Access Benefit	<u>0.65</u>
	Total BAUs	1.65
4.	Parcel with Four Apartment Units in Zone A	
	BAU for Protection Benefit	4.00 (4 units x 1 BAU/unit)
	BAU for Access Benefit	<u>2.60</u> (4 units x 1 BAU/unit)
	Total BAUs	6.60

**Exemption from Annual Assessment**

Any property within the District that is restricted in use as open space or against which a deed restriction preventing development is recorded may be deemed exempt from the levy of annual maintenance assessments by the City Council of the City of Malibu.

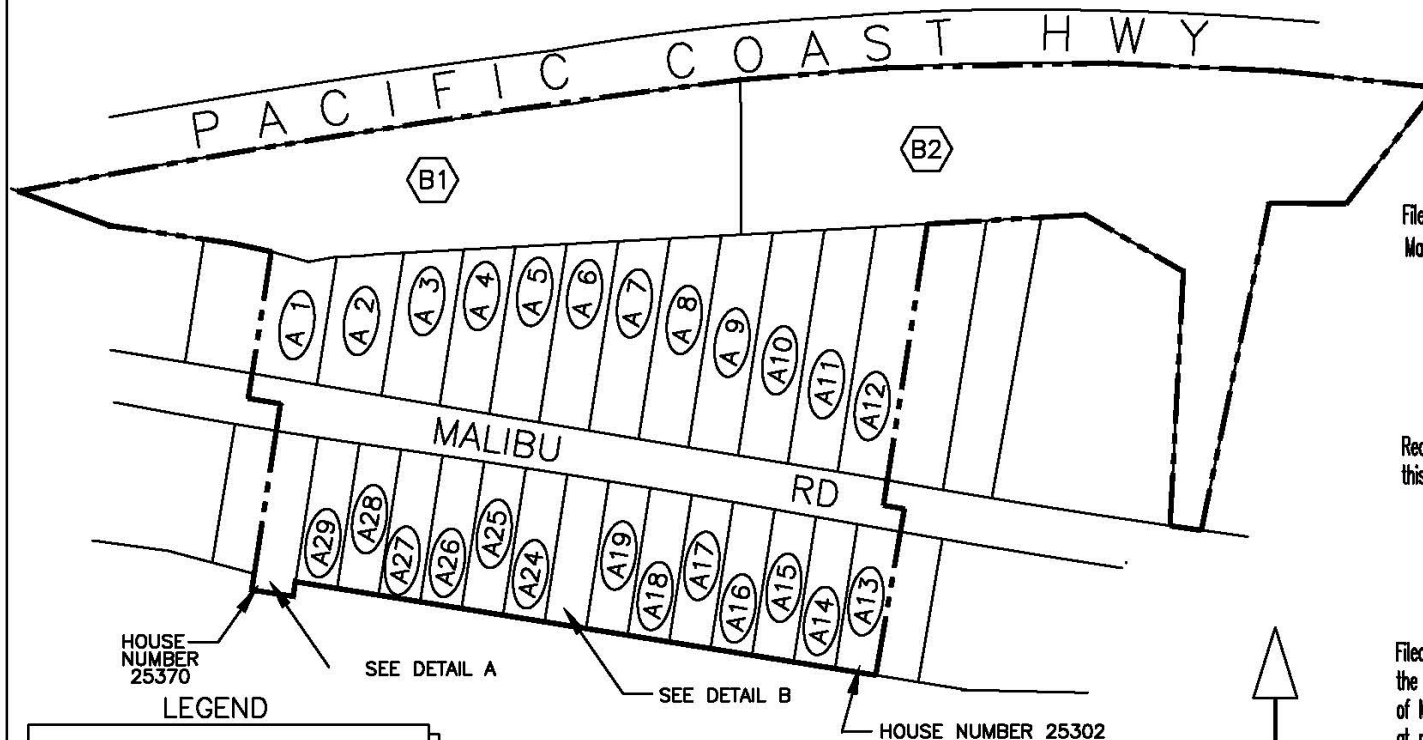
EXHIBIT D

ASSESSMENT DIAGRAM

SHEET 1 OF 2

ASSESSMENT DIAGRAM FOR  
ASSESSMENT DISTRICT NO. 98-3  
CITY OF MALIBU -- (MALIBU ROAD)  
LOS ANGELES COUNTY, CALIFORNIA

Reference is hereby made to the Assessor  
maps of the County of Los Angeles for  
an exact description of the lines and  
dimensions of each lot and parcel.



LEGEND

--- Boundary of A.D. No. 98-3



Assessment District  
Identifier

PREPARED BY  
DAVID TAUSSIG & ASSOCIATES, INC.

Filed in the office of the City Clerk of the City of  
Malibu this \_\_\_\_ day of \_\_\_\_, 19\_\_.

\_\_\_\_\_  
Harry Peacock  
City Clerk of the City of Malibu  
County of Los Angeles, State of California

Recorded in the office of the City Engineer  
this \_\_\_\_ day of \_\_\_\_, 19\_\_.

\_\_\_\_\_  
Rick Morgan, P.E.  
City Engineer, City of Malibu

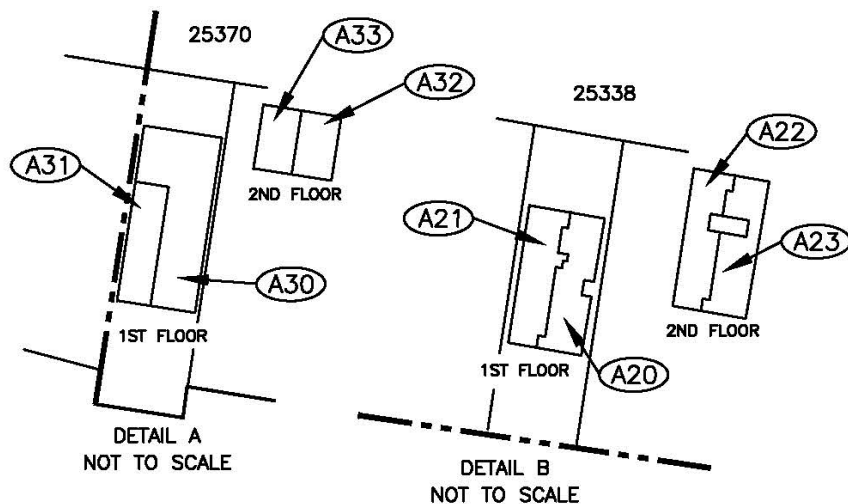
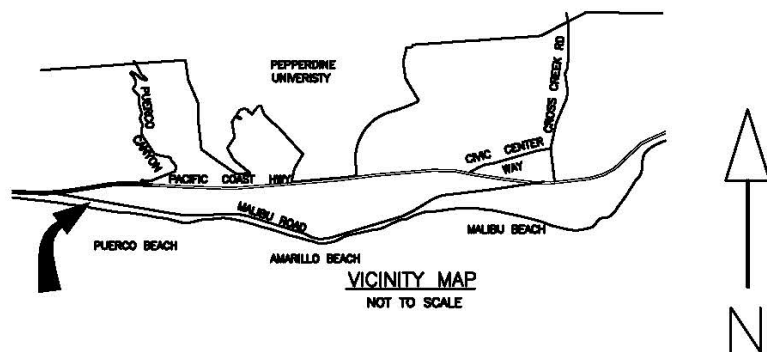
Filed this \_\_\_\_ day of \_\_\_\_, 19\_\_, at  
the hour of \_\_\_\_ o'clock \_\_m, in Book \_\_\_\_  
of Maps of Assessment and Community Facilities Districts  
at page \_\_\_\_ and as Instrument No. \_\_\_\_, in  
the office of the County Recorder in the County of  
Los Angeles, State of California.

\_\_\_\_\_  
County Recorder of The County of Los Angeles

SHEET 2 OF 2

**ASSESSMENT DIAGRAM FOR  
ASSESSMENT DISTRICT NO. 98-3  
CITY OF MALIBU -- (MALIBU ROAD)  
LOS ANGELES COUNTY, CALIFORNIA**

Reference is hereby made to the Assessor maps of the County of Los Angeles for an exact description of the lines and dimensions of each lot and parcel.



PREPARED BY  
**DAVID TAUSSIG & ASSOCIATES, INC.**

ASSESSMENT NUMBER	A.P.N.	SITUS ADDRESS
A01	4459-014-010	25377 MALIBU RD
A02	4459-014-009	
A03	4459-014-008	
A04	4459-014-007	
A05	4459-014-006	
A06	4459-014-005	
A07	4459-014-004	25331 MALIBU RD
A08	4459-014-003	25325 MALIBU RD
A09	4459-014-002	25321 MALIBU RD
A10	4459-014-001	25315 MALIBU RD
A11	4459-013-001	
A12	4459-013-002	25307 MALIBU RD
A13	4459-016-012	25302 MALIBU RD
A14	4459-016-013	25306 MALIBU RD
A15	4459-016-014	25308 MALIBU RD
A16	4459-016-015	25316 MALIBU RD
A17	4459-016-016	25322 MALIBU RD
A18	4459-016-017	25328 MALIBU RD
A19	4459-016-018	25330 MALIBU RD
A20	4459-017-020	25338 MALIBU RD
A21	4459-017-019	25338 MALIBU RD
A22	4459-017-021	25338 MALIBU RD
A23	4459-017-022	25338 MALIBU RD
A24	4459-017-002	25342 MALIBU RD
A25	4459-017-003	25346 MALIBU RD
A26	4459-017-004	25350 MALIBU RD
A27	4459-017-005	25360 MALIBU RD
A28	4459-017-006	25362 MALIBU RD
A29	4459-017-007	25366 MALIBU RD
A30	4459-017-030	25370 MALIBU RD
A31	4459-017-031	25372 MALIBU RD
A32	4459-017-032	25370 MALIBU RD
A33	4459-017-033	25372 MALIBU RD
B01	4459-013-021	
B02	4459-014-018	

An assessment was levied by the City Council on the lots, pieces, and parcels of land shown on this assessment diagram. The assessment was levied on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_. Reference is made to the assessment roll recorded in the office of the City Engineer for the exact amount of each assessment levied against each parcel of land shown on this assessment diagram.

\_\_\_\_\_  
Harry Peacock  
City Clerk of the City of Malibu



# City of Malibu

23825 Stuart Ranch Road ♦ Malibu, California ♦ 90265-4861  
Phone (310) 456-2489 ♦ Fax (310) 317-0950 ♦ [www.malibucity.org](http://www.malibucity.org)

June 7, 2022

«Property\_Owner»

«Address»

«City», «State», «Zipcode»

**Re: Internet Access to Annual Reports --Assessment District No. 98-3**

Assessment No.: «Assessment» Assessor's Parcel No.: «Parcel\_No»

Situs Address: «Address»

Dear Property Owner:

The City of Malibu will hold a public hearing on June 27, 2022 to hear comments and consider a resolution levying assessments for the maintenance, repair and improvements of works, systems and facilities for Assessment District No. 98-3 (Malibu Road). The City of Malibu will post the geologist's annual report titled "Annual Report, July 2021 through June 2022" for the Malibu Road assessment district on its website in November 2022. The report presents detailed discussions on the status of the district and the maintenance and monitoring activities for the past year. Please see the website for prior year reports.

In addition, the fiscal year 2022-23 annual assessment report for the assessment district will be posted in July 2022. Staff anticipates that this year's assessments will increase by 5.00%, which is less than the annual change in the CPI of 8.50%, as specified in the annual assessment report. To access current as well as prior year reports, please follow the steps below.

1. Go to <https://www.malibucity.org/>
2. Click on *City Government* located on the top of the page
3. Click on *Public Works / Engineering*
4. Click on *Assessment Districts* on the left of the page
5. Click on the Malibu Road assessment district. Within the district's homepage, click on *Annual Assessment Reports* or *Geologist's Annual Report*.

If you would like additional information, please contact Brandie Ayala at (310) 456-2489 ext. 352

Sincerely yours,

Mitch Mosesman  
30 Three Sixty Public Finance, Inc.  
for  
Rob DuBoux  
Public Works Director / City Engineer

ATTACHMENT 2



**NOTICE OF PUBLIC HEARING  
CITY OF MALIBU  
CITY COUNCIL**

The City of Malibu City Council will hold a public hearing on **MONDAY, June 27, 2022, at 6:30 p.m.** for the project identified below via teleconference only in order to reduce the risk of spreading COVID-19, pursuant to AB 361 and the County of Los Angeles Public Health Officer's order.

PUBLIC HEARING TO HEAR COMMENTS AND CONSIDER  
RESOLUTION LEVYING ASSESSMENTS FOR THE  
MAINTENANCE, REPAIR AND IMPROVEMENT OF WORKS,  
SYSTEMS AND FACILITIES FOR THE FOLLOWING:

Assessment District No. 98-3 (Malibu Road)

HOW TO VIEW THE MEETING: No physical location from which members of the public may observe the meeting and offer public comment will be provided. Please view the meeting, which will be live streamed at <https://malibucity.org/video> and <https://malibucity.org/VirtualMeeting>.

HOW TO PARTICIPATE DURING THE MEETING: Members of the public may speak during the meeting through the Zoom application. The City requests that you sign up to speak before the item you would like to speak on has been called by the Mayor and then you must be present in the Zoom conference to be recognized..

Written objections or comments regarding the Assessment Districts may be submitted to the City Clerk by email to [cityclerk@malibucity.org](mailto:cityclerk@malibucity.org) between now and **Monday, June 27, 2022**. If you are unable to submit your objections by email please contact the City Clerk at (310) 456-2489, ext. 228 to make alternative arrangements. All written objections or comments must be received prior to the opening of the public hearing.

A copy of all relevant material, including resolutions, staff reports, and Engineer's Reports, are on file and available by request. Requests or questions about this notice should be directed to Public Works Director Robert DuBoux at (310) 456-2489 ext. 339 or [rduboux@malibucity.org](mailto:rduboux@malibucity.org).

IF YOU CHALLENGE THE COUNCIL'S ACTION IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES RAISED AT THE PUBLIC HEARING DESCRIBED IN THIS NOTICE, OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE CITY, EITHER AT OR PRIOR TO THE PUBLIC HEARING.

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Robert DuBoux, Public Works Director

Publish Date: June 16 and June 23, 2022