

**LOS OSOS WASTEWATER PROJECT  
QUESTIONS AND ANSWERS**

1.	<p>Q. Who approved this?</p> <p>A. <i>The property owners within the assessment district approved the property assessment through Proposition 218 proceedings. On October 23, 2007 the County Board of Supervisors held a public hearing, which allowed property owners to submit their ballots. 80% of the ballots submitted were in favor of the assessment.</i></p>
2.	<p>Q. Is there someone from the Board of Supervisors I can discuss this with?</p> <p>A. <i>You may call Supervisor Bruce Gibson's Legislative Analyst, Cherie Aispuro, at 781-4338. In addition, Supervisor Gibson holds office hours in Los Osos the second and fourth Thursday of every month.</i></p>
3.	<p>Q. How many parcels does this affect?</p> <p>A. <i>There are over 5,000 parcels in the San Luis Obispo County Wastewater Assessment District No. 1.</i></p>
4.	<p>Q. Can I choose not to have the assessment?</p> <p>A. <i>No, the Board of Supervisors have determined, and the property owners have approved (via the Proposition 218 proceedings), that the parcels within the Assessment District benefit from the construction of a community wastewater facility.</i></p>
5.	<p>Q. Why is my neighbor's assessment different from mine?</p> <p>A. <i>Property assessments were determined by land use. If you and your neighbor have identical land use (residential) then your assessment should be the same. However, some assessments were lower for properties which already have part of the infrastructure established. Commercial property assessments were based on square footage of the parcel, which would result in different assessment per commercial parcel.</i></p>
6.	<p>Q. What am I getting for this assessment?</p> <p>A. <i>Your property is receiving the ability to connect to a community wastewater system and cease its septic tank discharges, to comply with the requirements of Central Coast Water Quality Control Board Resolution No. 83-13.</i></p>
7.	<p>Q. How much will it be each year?</p> <p>A. <i>The amount collected on your property tax bill will determined by the amount of your assessment. Assuming no prepayment is made on a property, for single family homes with a total assessment of \$24,941.19, it is anticipated that the annual amount charged on your property tax bill will be \$770 until the project is completed and then will increase to \$1,200 once the project is completed. Please see the Assessment Calculator on the LOWWP website. State law allows for interest rates to be up to 12%, however, current rates are in the 2.6 – 3.25% range. This rate range was used to establish the \$1,200 estimate.</i></p>
8.	<p>Q. What is being charged on my current tax bill?</p> <p>A. <i>Currently, there is no charge for the County's project on your property tax bill. The first collection on the property tax bill is anticipated to be in December 2011.</i></p>
9.	<p>Q. When will I start paying for this, and how will I be billed each year?</p> <p>A. <i>Your first payment is anticipated to be in the December 2011 property tax bill. You will be billed on your property tax bills.</i></p>
10.	<p>Q. Who do I pay this to in the future?</p> <p>A. <i>Payments will be made to the County Treasurer-Tax Collector.</i></p>
11.	<p>Q. If I am a tenant, do I have to pay this assessment?</p> <p>A. <i>Property tax bills are mailed to the property owner; who pays depends on the agreement between tenant and owner.</i></p>
12.	<p>Q. If I live in a mobile home, do I have to pay a property assessment?</p> <p>A. <i>It depends. Mobile home parks are owned in different ways; who pays depends on how the mobile home park is owned and on applicable agreements.</i></p>

**LOS OSOS WASTEWATER PROJECT  
QUESTIONS AND ANSWERS**

13.	Q. When will this project begin and end? A. <i>In 2011 the design phase begins. Construction is anticipated to begin in 2012 – 2014, with the facility going “online” in 2014.</i>
14.	Q. What is the entire amount of this project? A. <i>The entire estimated amount is approximately \$173 million. Numerous factors exist that can still impact project costs, end costs estimates will be updated as the County continues its project efforts.</i>
15.	Q. How much interest will I pay? A. <i>The County has secured a 40 year 3.25% interest loan from the United States Department of Agriculture and a 30 year 2.6% interest loan from the State Water Board. Financing will be a combination of these two loans.</i>
16.	Q. If I pay cash now, what will my discount be? A. <i>Your discount will be the elimination of future interest payments.</i>
17.	Q. Can I pay more in a year if I have the money? A. <i>Yes. You may pay off any of the outstanding principal amounts at any time along with interest to the next available redemption date which will occur every 6 months.</i>
18.	Q. Can I pay off this assessment in the future and where? A. <i>Yes. You would need to contact the County Auditor-Controller’s Office at 781-5048.</i>
19.	Q. Can I get any assistance to pay this? A. <i>Grant assistance is currently being sought. There is currently no assistance available for individuals, however, the Public Works Department will be contacting residents regarding available assistance should it become available in the future.</i>
20.	Q. Is it better for me to go out and borrow the money to pay for this? A. <i>There are numerous methods available to pay for the assessment and each method should be carefully reviewed and discussed with a professional advisor. .</i>
21.	Q. Will this increase the assessed value of my property? A. <i>Properties can only have their assessed value increased from their base year value by an inflation factor that cannot exceed 2%. There is no way to predict property values in the future and what role the wastewater project will have in determining value. For example, current market conditions are creating a decline in market values.</i>
22.	Q. Is this assessment tax deductible? A. <i>Please contact a Certified Public Accountant or other tax professional to determine if the assessment provides any tax benefits.</i>
23.	Q. Does the assessment include all costs including hook up to the sewer line? A. <i>No. State law specifically provides that the assessment may only be used to pay for “special benefits”. General benefits, the cost of connecting to the wastewater collection system and the cost of using the facility are additional costs you will be subject to. In aggregate, the average cost in total for both assessments and sewer service charges are currently estimated to be \$166/month for the typical single family residence.</i>
24.	Q. What about the assessment I am paying to the Los Osos Community Services District? A. <i>This assessment was levied by the Los Osos Community Services District and is separate and independent from the County’s current assessment and project efforts. The Los Osos Community Services District can be contacted at 805-528-9370 to obtain all the facts about this assessment.</i>
25.	Q. Why is there a lien on my property? A. <i>Section 3114 Streets and Highway Code, which is the relevant State Code for forming assessment districts, states that these individual assessments approved by the property owners on October 23, 2007 shall become liens upon the respective lots assessed. The lien provides security for issuing the financing instruments.</i>
26.	Q. If I prepay early, and the County does not construct the project, do I get my payment

**LOS OSOS WASTEWATER PROJECT  
QUESTIONS AND ANSWERS**

	back?
	A. <i>If the project were not completed for some reason, the remaining amounts of any prepayments would be refunded to the property owners. The County Board of Supervisors adopted a policy that states that the current property owner at the time of the refund receives the returned payment. The amount returned includes any accumulated interest.</i>
27.	Q. <i>If I sell my property, who pays the assessment?</i>
	A. <i>State law indicates that the assessment is upon the property, and may remain upon the property. However, the County recognizes that real estate transactions between two parties can involve multiple items that are negotiable, and assumes that the two parties will determine this issue through the terms of their transaction.</i>