



## Legislation Text

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**File #:** 17-173, **Version:** 1

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*Report Prepared by: Ken Elwin, Director of Public Works Department*

**SUBJECT: Maintenance Districts Assessment Ballot Proceeding - Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts**

### REPORT IN BRIEF

Consider authorizing an assessment ballot proceeding and setting a public hearing for Monday, June 19, 2017, for the Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts, to obtain property owner approval in advance of increase in annual levy assessments.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Adopting **Resolution 2017-21**, a Resolution of the City Council of the City of Merced, California, authorizing an assessment ballot proceeding for the Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts, and;
- B. Setting the public hearing for Monday, June 19, 2017, to obtain property owner approval prior to increase in annual assessment levy to cover operation and maintenance costs to each identified District, and;
- C. Approving a supplemental budget appropriation from the Unreserved Fund Balance of the General Fund in the amount not to exceed \$1,900, to cover the assessment balloting proceeding noticing costs.

### ALTERNATIVES

1. Approve as recommended by staff; or,
2. Return to staff with specific direction; or,
3. Deny.

### AUTHORITY

Chapter 26 of Part 3 of Division 7 of State of California Streets and Highways Code provides the applicable general law for Maintenance Districts; and,

Article I (alternative method for the levy of benefit assessments) of Title 13, Division VIII, of the Merced Municipal Code (MMC) dealing with Maintenance Districts, provides for subsequent modification to existing Maintenance Districts; and,

Initiative Measure (Proposition 218, Sections 2,3,4,5, and 6) approved at the November 5, 1996 election, and also known as the "Right to Vote on Taxes Act" provides for assessment ballot

proceedings.

## DISCUSSION

After completion of the budgets, it has been determined the Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts require a special ballot proceeding prior to Council's approval of these particular budgets. Property owner approval is required in advance of any increase in annual levy (Please see Attachment 1).

The City Council authorized assessment ballot hearings for Pleasanton Park, Olivewood, and Hansen Park on September 15, 2008, and Mansionette December 5, 2016, that the property owners voted not to approve an increase to their assessment.

Since that time, the Public Works staff continues to be proactive in maximizing available revenue by turning off irrigation systems during non-summer months, suspending the monthly landscape maintenance services contract, reducing employee maintenance labor hours at each Districts' storm pump station, working with volunteer service groups when available, and utilizing City park personnel on occasion.

Although these austerity measures were adopted, an assessment ballot proceeding is necessary at this time to sustain existing landscaped areas and cover storm drain pump maintenance and operation expenses.

Ballot cover letters, notices, and forms will be mailed to each property owner on record informing them of the proposed increase in levy and other prudent balloting information (Please see Attachment 2).

In addition, prior to the public hearing scheduled for Monday, June 19, 2017, staff will hold informational meetings to answer questions from the public regarding the proposed assessment increase.

Listed below is a summary of the current annual assessment levy per unit and the proposed for Fiscal Year 2017/2018:

<b><u>DISTRICT NAME</u></b>	<b><u>CURRENT ASSESSMENT</u></b>	<b><u>PROPOSED ASSESSMENT</u></b>
Pleasanton Park	\$59.06	\$141.84
Olivewood	\$57.24	\$188.17
Hansen Park	\$57.22	\$242.70
Mansionette	\$1.14	\$66.35

The associated boundary maps are attached for your reference (Please see Attachment 3).

The approval process for Districts with an increase in assessment above the allowable CPI is as follows:

- Public Works Department determines annual budget costs by District;
- City Engineer prepares annual report and assessment spread;
- If the proposed increase in annual assessments is greater than the amount allowed under

Proposition 218, then an assessment ballot proceeding must be held. Assessments remain at the previous year's rate, until the legal ballot process is followed;

- Notices and ballots are mailed 45-days prior to the scheduled public hearing;
- Council holds a public hearing to determine voter approval of increased assessments and the public hearing is continued to a subsequent meeting to allow time to open and tally the sealed ballots;
- Following the "continued" public hearing, Council adopts a resolution approving, confirming, and adopting the Engineer's Reports based on the results of the ballots.

## **IMPACT ON CITY RESOURCES**

Balloting expenses are recovered in the approved assessment levy from the District's operating Fund, if successful. Conversely, if unsuccessful the General Fund will cover the expense.

The City Attorney's office has prepared the necessary resolution authorizing an assessment ballot proceeding to increase levies to property owners on record within the Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts; and setting a public hearing for Monday, June 19, 2017 (Please see Attachment 4).

Council will have the opportunity to consider a motion on the various budgets following the close of the public hearing.

## **ATTACHMENTS**

1. Budget Summaries
2. Balloting Documents
3. District Boundary Maps
4. Resolution 2017-21