



## Legislation Text

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**File #:** 17-013, **Version:** 1

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

**SUBJECT:** Public Hearing Assessment Ballot Proceeding - Oakmont #3, Campus North, and Mansionette Maintenance Districts

### REPORT IN BRIEF

Consider conducting a public hearing to hear public testimony regarding proposed assessment increases, and continue hearing to allow staff sufficient time to tally the ballots, and report the results at the February 21, 2017 Council meeting.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Conducting a Public Hearing for the Oakmont #3, Campus North, and Mansionette Maintenance Districts to allow for public testimony on proposed assessment increases; and,
- B. Continuing Public Hearing until Tuesday, February 21, 2017, to allow staff sufficient time to tally the ballots and report the results at the February 21, 2017, City Council Meeting.

### ALTERNATIVES

- 1. Approve as recommended by the Director of Public Works; 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 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

It has been determined the Oakmont #3, Campus North, and Mansionette Maintenance Districts do not have sufficient Fund balances to cover necessary operation and maintenance service costs to

these Districts.

In order to increase levies an assessment ballot proceeding must be held to obtain property owner approval in advance of any increase in annual levy.

On December 5, 2016, Council adopted Resolution #2016-63, authorizing an assessment ballot proceeding for the Oakmont #3, Campus North, and Mansionette Maintenance Districts.

A summary of the current and proposed assessment amounts required to maintain the current level of service are listed below:

District Name	Current Assessment	Proposed Assessment
Oakmont #3	\$70.03	\$89.75
Campus North	\$31.30	\$142.45
Mansionette	\$1.14	\$66.35

Voting is determined by the proportionate share of each ballot cast based on a property's assessed value of public improvement and services. Law prohibits opening or tallying of the ballots prior to the start of the Public Hearing.

As a result of this law and due to the large number of anticipated ballots, the Public Hearing will be continued and staff will tally the ballots and report the results at the scheduled City Council meeting on Tuesday, February 21, 2017. The City Clerk's Office will count the ballots beginning at 2 PM on Tuesday, February 7<sup>th</sup> in the Sam Pipes Room located on the first floor of City Hall, 678 W. 18<sup>th</sup> Street, Merced, Ca. The count will be open to the public.

If ballots are successful, Council will adopt a resolution approving, confirming, and adopting the Engineer's Reports for that particular District, and the new levy will appear on the property owners' tax bill.

If the ballots are unsuccessful, there would be insufficient funds to cover the anticipated costs associated with the operation of the District and current level of service would have to be reduced to match existing revenues.