

CITY OF YUBA CITY
STAFF REPORT

Date: August 18, 2020
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation by: Diana Langley, Interim City Manager

Summary

Subject: Levying Assessments for Yuba City Residential Street Light Maintenance Districts (Walton Area and Tierra Buena Area)

Recommendation: A. Conduct a Public Hearing.
B. Adopt a Resolution confirming and ordering the annual levy of assessments for Fiscal Year 2020/21 within Yuba City Residential Street Light Maintenance District No. 1 (Tierra Buena) and Residential Street Light Maintenance District No. 1 (Walton Area)

Fiscal Impact: Walton District – no change in assessments
Tierra Buena District – no change in assessments

Purpose:

To provide ongoing residential street lighting maintenance to assessed districts in the City, pursuant to the provisions of the Benefit Assessment Act of 1982 and Article XIID of the California Constitution.

Background:

The City annually levies and collects special assessments in order to maintain and service streetlights in the Walton Avenue Area and Tierra Buena Area. The Districts were formed while the areas were under the County's jurisdiction, and the City took over the administration of the Districts when they were annexed into the City. Prior to 2009, the Districts were historically charged the maximum levy which allowed the reserves to build up.

Analysis:

The Engineer's Annual Reports have been prepared and are on file in the City Clerk's Office. They describe each District, the improvements therein, the method of assessment, and the proposed assessment for each parcel.

Fiscal Impact:

Annual levies will remain unchanged for both Districts. The proposed levy amounts for each District are shown in Exhibit A (Attachment 2).

The projected revenue, expenditures, and cash balance for the Districts are as follows:

<u>District</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Projected Reserve Fund Balance as of 7/1/21</u>
Tierra Buena Area	\$22,000	\$25,627	\$111,066
Walton Area	\$81,678	\$80,676	(\$40,657)

Operating costs for the Walton area have neared or exceeded the maximum levy for the district multiple times over the past ten years. Additionally, operating costs for Walton have increased while operating costs for Tierra Buena have decreased after Fiscal Year 2015/16. The City believes that there is an error within PG&E's billing system and is performing an internal audit to determine the cause of the discrepancy and correct any billing issues moving forward.

Alternatives:

1. Council may direct the modification of the assessment amounts which will affect future revenue and expenditure amounts in Fiscal Year 2020/21, or cancel the District and find alternative funding sources to operate the streetlights.
2. Council may direct City staff to follow legal procedures in order to modify the Residential Street Light Maintenance Districts to include Cost of Living Adjustment (COLA) provisions.

Recommendation:

- A. Conduct a public hearing.
- B. Adopt a resolution confirming and ordering the annual levy of assessments for Fiscal Year 2020/21 within Yuba City Residential Street Light Maintenance District No. 1 (Tierra Buena) and Residential Street Light Maintenance District No. 1 (Walton Area).

Attachments:

1. Resolution
 - a. District Maps
2. Proposed Assessments

Prepared by:

/s/ Josh Wolfe
Josh Wolfe
Assistant Engineer

Submitted by:

/s/ Diana Langley
Diana Langley
Interim City Manager

Reviewed by:

Department Head
Finance
City Attorney

DL
SM
SLC by email

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
CONFIRMING AND ORDERING THE ANNUAL LEVY OF ASSESSMENTS FOR FISCAL
YEAR 2020-21 WITHIN YUBA CITY RESIDENTIAL STREET LIGHT MAINTENANCE
DISTRICT (WALTON AREA) AND YUBA CITY RESIDENTIAL STREET LIGHT
MAINTENANCE DISTRICT (TIERRA BUENA AREA) PURSUANT TO THE BENEFIT
ASSESSMENT ACT OF 1982,**

WHEREAS, the City Council of the City of Yuba City previously formed Yuba City Residential Street Light Maintenance District (Walton Area) and Yuba City Residential Street Light Maintenance District (Tierra Buena Area) ("Districts"), pursuant to the provisions of the Benefit Assessment Act of 1982, California Government Code Division 2, Chapter 6.6, Section 54703 et seq. (hereafter referred to as the "Act"); and

WHEREAS, a Report (hereafter referred to as the "Formation Report") was prepared, filed and approved by the City Council in connection with each of the Districts and the levy of said assessments, pursuant to Section 54716 of said Act; and

WHEREAS, the City Council conducted property owner protest proceedings relating to the improvements and services described in the Formation Report and the levy and collection of annual assessments and an assessment range formula related thereto for each of the Districts in accordance with the provisions of the California Constitution Article XIID and Proposition 218; and

WHEREAS, pursuant to the Act, after the first year's levy of assessments, the City Council may annually thereafter determine the cost of the services to be financed by the assessments and by ordinance or resolution determine and impose the assessments as approved by the property owners in conjunction with formation of the Districts; and

WHEREAS, the Council directed and authorized the City Engineer to assist with the calculation and establishment of the assessments and to prepare and file a budget report(s) (hereafter referred to as the "Engineer's Report") with the City Clerk, generally describing how the Districts were formed, the improvements and services within the Districts, the method of apportionment and dispensation of the benefits, and the budget containing the costs and proposed levy amounts for funding the benefits and the assessment roll; and

WHEREAS, the Engineer's Reports outlining the proposed expenses and annual assessments for the Districts have been prepared and presented to the City Council for review and filed with the City Clerk; and

WHEREAS, the City Council now desires to impose the annual assessment for each District at an amount not to exceed the maximum amount previously approved by the voters; and

WHEREAS, the City Council, after notice duly given as required by law, held a public hearing on August 18, 2020 at 6:00 p.m., in the City Hall council chamber to consider the proposed annual levy of assessments for each of the Districts; and,

WHEREAS, on August 18, 2020, all interested persons were afforded the opportunity to comment in protest or support of the assessments; and

WHEREAS, the City Council has carefully examined and reviewed the Engineer's Report, which serves as the budget report, as presented and is satisfied that the assessments have been spread in accordance with the benefits received from the improvements, operation, maintenance and services to be performed within the Districts therein; and

WHEREAS, the City Council now desires to levy the annual assessment for Fiscal Year 2020/21 for the Districts.

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. The above recitals are true and correct, and are hereby incorporated herein by this reference.

2. The City Council hereby (1) finds that the public interest and convenience requires, and (2) declares its intention, to order the levy of and to collect assessments against the assessable lots and parcels of property within existing assessment districts designated Yuba City Residential Street Light Maintenance District (Walton Area) and Yuba City Residential Street Light Maintenance District (Tierra Buena Area) ("Districts"), pursuant to the provisions of the Act, for the fiscal year commencing July 1, 2020 and ending June 30, 2021, to pay for the costs and expenses of the improvements described below in Section 4 of this Resolution.

3. The boundaries of the Districts are generally located and depicted in "Attachment A" attached hereto.

4. The proposed improvements are briefly described as follows: the operation of residential street lights.

5. The assessments to be levied and collected against the assessable lots and parcels of property within each District for Fiscal Year 2020/21 are proposed to remain the same as compared to the assessments levied and collected for Fiscal Year 2019/20.

6. The City Council has reviewed the Engineer's Report, which serves as the budget report, in connection with each of the Districts and the levy and collection of assessments proposed for Fiscal Year 2020/21. Based upon its review of the Budget Report, the City Council hereby finds and determines that:

- a. The territory of land within each of the Districts will receive special benefits from the operation, maintenance and servicing of the street light system and the appurtenant improvements and facilities related thereto within that District; and,
- b. The net amount to be assessed upon the lands within each of the Districts, in accordance with the proposed Engineer's Report (commencing July 1, 2020 and ending June 30, 2021) shall be apportioned by a formula and method which fairly distributes the net amount among the eligible parcels within that District in proportion to the special benefits to be received by each parcel from the improvements and services as defined in the original Engineer's Report first prepared and filed pursuant

to Section 54716 of Act, and is satisfied that the assessments are levied without regard to property valuation.

7. The budget and assessments for each of the Districts for Fiscal Year 2020/21 as presented to the City Council and on file in the office of the City Clerk are hereby confirmed as filed.

8. The Council finds that the hearing on said annual levy of assessment for the Districts was held in accordance with law and all persons desiring to speak were heard.

9. The Engineer's Report, the diagram for the assessment district and the assessment of the estimated costs of the improvements contained therewith and each and every part of said Report, is adopted and approved for each District, and that the assessment of the total amount of the costs and the individual assessments thereof upon the several subdivisions of lane expenses, respectively, from said improvements, and of the expenses incidental thereto, be and the same hereby is finally approved and confirmed as the assessment to pay the costs. The assessment for Fiscal Year 2020/21 is proposed to remain the same as the previous year as described in the Engineer's Report.

10. The Council hereby orders the levy of the assessments described in said Resolution of Intention and the Engineer's Report for each District. As the levies are consistent with the amounts approved with the formation of each District and remain the same, the assessment is exempted from the requirements of Article XIII Section D of the California Constitution (Proposition 218).

11. The City Council hereby orders the Districts improvements as indicated in the Engineer's Report, to be made and authorizes and directs the City Clerk or designee to file the levy with the County Auditor/Controller for Fiscal Year 2020/21.

12. The County Auditor/Controller of Sutter shall enter on the County Tax Roll opposite each identified parcel of land the amount of the levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City Treasurer.

13. The adoption of this Resolution constitutes the levy of the annual assessment for the fiscal year commencing July 1, 2020 and ending June 30, 2021 for the Districts.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 18th day of August, 2020.

AYES:

NOES:

ABSENT:

ATTEST:

Shon Harris, Mayor

Patricia Buckland, City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachments:

Attachment A – District Maps

ATTACHMENT A

ATTACHMENT 2

EXHIBIT A

WALTON RESIDENTIAL STREET LIGHT DISTRICT

Affected Subdivision	Proposed Assessment (per single unit - \$)	Change From Previous Year (\$)	Maximum Levy Allowed (\$)
Bogue Ranch	\$37.00	\$0.00	\$37.00
Bogue Ranch II	\$59.40	\$0.00	\$59.40
Cypress	\$41.74	\$0.00	\$41.74
Hampton Estates I	\$45.58	\$0.00	\$45.58
Hampton Estates II	\$41.80	\$0.00	\$41.80
Kushlia Village	\$62.00	\$0.00	\$62.00
Lincoln Park II	\$52.56	\$0.00	\$52.56
Lincoln Pointe	\$51.48	\$0.00	\$51.48
Lincoln Village I	\$61.44	\$0.00	\$61.44
Lincoln Village II	\$50.78	\$0.00	\$50.78
Meadowood I	\$73.12	\$0.00	\$73.12
Meadowood II	\$111.88	\$0.00	\$111.88
Orchard II	\$62.92	\$0.00	\$62.92
Orchard III	\$34.60	\$0.00	\$34.60
Ravenwood I	\$54.06	\$0.00	\$54.06
Ravenwood II	\$67.28	\$0.00	\$67.28
Ravenwood III	\$40.40	\$0.00	\$40.40
Sanborn Estates	\$63.58	\$0.00	\$63.58
Sandpiper I, II, III	\$46.32	\$0.00	\$46.32
Sun Valley II	\$51.48	\$0.00	\$51.48
Sunrise Village	\$58.56	\$0.00	\$58.56
W Ranch Meadowood	\$67.06	\$0.00	\$67.06
Walton Park Estates	\$38.00	\$0.00	\$38.00
Walton Ranch	\$60.06	\$0.00	\$60.06
Woodside Village II	\$67.56	\$0.00	\$67.56

TIERRA BUENA RESIDENTIAL STREET LIGHT DISTRICT

Affected Subdivision	Proposed Assessment (per single unit)	Change From Previous Year	Maximum Levy Allowed
Bryn Mawr Estates III	\$25.38	\$0.00	\$61.22
Bryn Mawr Estates IV	\$27.16	\$0.00	\$65.52
Buena Vista I	\$14.94	\$0.00	\$36.04
Buena Vista II	\$34.78	\$0.00	\$83.90
Butte Rancho	\$27.93	\$0.00	\$67.38
Butte View Estates	\$36.94	\$0.00	\$89.10
Country Aire	\$32.22	\$0.00	\$77.72
Kira Estates	\$33.20	\$0.00	\$80.08
Loma Vista	\$34.14	\$0.00	\$82.36
Quail Pointe Estates	\$37.10	\$0.00	\$89.50
Ranchero II & III	\$45.15	\$0.00	\$108.90
Ranchero IV & VI	\$20.13	\$0.00	\$48.54
Ranchero Estates I	\$26.72	\$0.00	\$64.46
Ranchero Estates V	\$24.90	\$0.00	\$60.06
Rancho De Royo I Ph I	\$52.42	\$0.00	\$126.44
Rancho De Royo II Ph II	\$27.18	\$0.00	\$65.56
Skyview Place	\$33.95	\$0.00	\$81.90
Stonegate Village Unit I	\$24.59	\$0.00	\$59.32
Stonegate Village Unit II	\$21.52	\$0.00	\$51.90
Stonegate Village Unit III	\$17.24	\$0.00	\$41.58
Suburban Acres	\$20.31	\$0.00	\$49.00
Tara Estates	\$21.09	\$0.00	\$50.86
Teja IV	\$29.73	\$0.00	\$71.72
Walnut Acres	\$21.69	\$0.00	\$52.32