



Board Agenda Item 7

DATE: June 20, 2023

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Hearing on Annual Assessment Levy for Park Maintenance for County Service Area No. 2 - Tenaya Estates

RECOMMENDED ACTION(S):

- 1. Conduct public hearing to consider all oral statements and all written protests made or filed by any interested person concerning the annual assessment on real property for Fiscal Year 2023-24, for the operation and maintenance of Tenaya Park in County Service Area No. 2 Tenaya Estates.**
- 2. Approve and adopt Resolution approving and levying the annual assessment for operation and maintenance for Fiscal Year 2023-24 under Chapter 3 of the Landscaping and Lighting Act of 1972 in the Tenaya Park Assessment District in County Service Area No. 2, which includes 142 residential parcels.**

Approval of the first recommended action allows your Board to consider all oral statements and written protests pertaining to the levying of an annual assessment in the Tenaya Park Assessment District for County Service Area No. 2 (CSA 2) for FY 2023-24. Approval of the second recommended action approves and levies the annual assessment for park operation and maintenance for CSA 2 for FY 2023-24. This item pertains to a location in District 2.

ALTERNATIVE ACTION(S):

During the course of or upon the conclusion of the hearing, your Board may order changes to the 2023 annual Engineer's Report, filed with the Clerk on May 23, 2023, provided none of those changes increase any applicable rate used to calculate the assessment, or revises the methodology by which the assessment is calculated, or result in an assessment being levied on any person or parcel that exceeds what was approved in the Proposition 218 proceeding in 2014.

Your Board may also approve or disapprove the annual assessment based on your Board's independent discretion or continue the hearing from time to time, provided that no continuance shall be made to a date after July 18, 2023, without the prior consent of the County Auditor-Controller/Treasurer-Tax Collector. If the proposed annual assessment rate for FY 2023-24 of \$476.00 per parcel is not approved by your Board, CSA2 would be substantially unfunded for FY 2023-24 and unable to pay the contract for maintenance of Tenaya Park.

The adoption of the recommended resolution constitutes the levy of an annual assessment in CSA 2 for the foregoing services in FY 2023-24.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended actions. All operation, maintenance, and administration costs are paid by the benefitted properties within CSA 2 from property assessments, interest income, and property tax revenues.

DISCUSSION:

CSA 2 was formed on December 26, 1962, to provide services for the subdivision known as Tenaya Estates located West of Palm Avenue, East of Fruit Avenue, North of Escalon Avenue, and South of Sierra Avenue in Fresno, CA. The services consist of maintaining a two-and-a-half-acre community park, known as Tenaya Park, which is located in the center of the Tenaya Estates Subdivision. The subdivision consists of 142 residential parcels as shown on Exhibit A.

On June 17, 2014, after a Proposition 218 proceeding in which CSA 2 property owners received an opportunity to protest, and there was not a majority protest, the Board approved an assessment of \$43,736.00, or \$308.00 per parcel, for FY 2014-15. The approved assessment included approval of a formula providing that the assessment may be adjusted for any or all of the nine fiscal years after FY 2014-15 to provide for building reserves and addressing inflation at the rate of no more than 5% over the previous year. The maximum annual assessment per parcel approved for the succeeding fiscal years is detailed on Exhibit B. The assessment now proposed for FY 2023-24 is \$476.00, the maximum assessment that was approved by the Board, after a determination that there was not a majority protest by CSA 2 property owners on June 17, 2014.

After the end of the tenth budget year (FY 2023-24), the annual assessment per parcel, adopted by the Board, will remain at the same amount unless the CSA 2 property owners approve an increased assessment through another Proposition 218 ballot process. The 142 parcels receiving park maintenance service will pay 100% of the costs associated with the service.

Engineer's Report

As part of its May 23, 2023, resolution initiating this proceeding, the Board appointed and designated Steven E. White, P.E., Director of the Department of Public Works and Planning, as the Assessment Engineer, and directed him to prepare an Engineer's Report, to be filed with the Board under Article XIII D, Section 4, of the California Constitution, and in compliance with the Landscaping and Lighting Act of 1972.

The Engineer's Report was filed with the Clerk of the Board on May 23, 2023, and the Board accepted that report as part of its adopted resolution of intention on the same date. The Engineer's Report has remained on file with the Clerk of the Board.

Annual Assessment

As described in the Engineer's Report, the annual assessment is for:

- Playground resurfacing
- Sprinkler system maintenance
- Sidewalk repairs
- Curb and gutter repairs
- Street lighting maintenance
- Electrical system maintenance for street lighting and sprinkler system
- Landscaping
- Playground equipment maintenance
- Recreational improvements

- Electrical power and water costs
- County administration costs (labor, annual audits)

The report includes the administration and all operations and maintenance (O&M) of Tenaya Park, as well as the funding and maintaining of an O&M cash reserve.

Exhibit B shows the maximum assessment approved by the Board for each of the 142 developed single-family residence parcels in CSA 2 over the first ten fiscal years after the 2014 Proposition 218 proceeding, after a finding that there was no majority protest at that Proposition 218 proceeding. The FY 2023-24 assessment for each of the 142 developed single-family residence parcels in CSA 2 is \$476.00, which equals a total amount \$67,592.00 comprising the total assessment to levy for FY 2023-24. That proportionality is based on each parcel receiving an equal special benefit from the operation and maintenance of Tenaya Park. The assessment for each of the 142 developed single-family residence parcels in CSA 2 may be increased by no more than 5% over the previous year to build reserves to comply with the Board's 50% cash reserve requirement.

Annual Assessment Process

This is not a Proposition 218 proceeding. Assessments governed by the Landscaping and Lighting Act of 1972 must be levied annually. Because the assessment described in this report does not exceed the total amount or the per-parcel amount approved by the Board, after a finding that there was no majority protest in a Proposition 218 proceeding in 2014, it is not "increased" for purposes of Proposition 218. That means the special notice, protest, and hearing requirements of Proposition 218, including the provision of printed protest ballots, are not applicable here.

At the public hearing, your Board must consider all oral statements and all written protests made or filed by any interested person. Any interested person may, prior to the conclusion of the hearing, file a written protest with the Clerk of the Board, or if they have previously filed a protest, may file a written withdrawal of that protest. A written protest shall state the name of the property owner or authorized representative, all grounds of objection and the Assessor's Parcel Number of the property in CSA 2.

During the course of or upon the conclusion of the hearing, your Board may order changes to the report, provided none of those changes increase any applicable rate used to calculate the assessment, or revises the methodology by which the assessment is calculated, or result in an assessment being levied on any person or parcel that exceeds what was approved in the Proposition 218 proceeding in 2014.

Your Board may approve or disapprove the annual assessment based on its independent discretion or continue the hearing from time to time, provided that no continuance shall be made to a date after July 18, 2023, without the prior consent of the County Auditor- Controller/Treasurer-Tax Collector.

Your Board may adopt either the proposed resolution confirming the annual assessment or as amended by the Board. The adoption of the resolution constitutes the levy of an annual assessment for FY 2023-24. In addition to levying the annual assessment, the Resolution provides that the annual assessment shall be collected at the same time, and in the same manner, and subject to the same penalties, as the Fiscal Year 2023-24 general property taxes of the County. The Resolution also authorizes and directs the Director of the Department of Public Works and Planning to timely deliver, or cause their designee to timely deliver, to the Auditor-Controller/Treasurer-Tax Collector, no later than August 10, 2023, a copy of the resolution, which must include the true and complete assessment roll. The assessment roll lists every property and the amount of the annual assessment on that property.

REFERENCE MATERIAL:

BAI # 45, May 23, 2023

BAI # 11, July 12, 2022
BAI # 10, August 10, 2021
BAI # 3, July 7, 2020
BAI # 12, June 4, 2019
BAI # 11, June 12, 2018
BAI # 14, June 20, 2017
BAI # 7, June 21, 2016
BAI # 13, June 2, 2015
BAI # 11, June 17, 2014

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A - Map depicting benefitted residential properties in CSA 2
Exhibit B - Annual Assessment over Ten Fiscal Years for Park Services within CSA 2
On file with Clerk - Resolution to Levy
On file with Clerk - Engineer's Report

CAO ANALYST:

Salvador Espino