



# CITY COUNCIL STAFF REPORT



**May 24, 2022**

## **ITEM TITLE**

Open Space Maintenance Districts: Initiate Proceedings, Approve the Engineer's Report, Declare Intention to Levy Assessments for Fiscal Year 2022/23 for District 20, Zone 7, and Amend the Public Hearing Date for Related Proceedings Approved on 5/17/2022

**Report Number:** 22-0167

**Location:** No specific geographic location

**Department:** Finance

**Environmental Notice:** The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

## **Recommended Action**

Amend Resolution Nos. 2022-111 through 2022-115 to move the public hearing from June 21, 2022 to July 12, 2022, and adopt Resolution F approving the Engineer's Report, declaring the intention to levy and collect assessments for Open Space District 20, Zone 7; and setting the public hearing for July 12, 2022.

## **SUMMARY**

On May 17, 2022, the City Council, via Resolutions 2022-111 through 2022-115, initiated proceedings for the levy and collection, approved the Engineer's Report, declared the intention to levy and collect assessments; and set the public hearing for June 21, 2022 regarding the Fiscal Year 2022/23 assessments for Open Space Districts 1 thru 11, 14, 15, 17, 18, 20 (Zones 1 through 6, 8 and 9) 23, 24, 26, 31, 33, Eastlake, Town Center and Bay Boulevard Maintenance Districts. Due to unanticipated circumstances, staff is requesting that the public hearing be moved to July 12, 2022.

During the May 17, 2022 Council Meeting, resolution F, approving the Engineer's Report, declaring the intention to levy and collect assessments; and setting a public hearing regarding the Fiscal year 2022/23 assessments for Open Space District 20, Zone 7 was not adopted due to two property -related conflicts and the absence of one council member. Staff is requesting the adoption of Resolution F to proceed with the initial step for District 20, Zone 7.

## **ENVIRONMENTAL REVIEW**

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because the proposed activity consists of reporting and creating governmental fiscal/funding mechanism which does not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable.

## **DISCUSSION**

Open Space Districts (OSDs) were established in conjunction with each development to ensure a financing mechanism was available for the funding of perpetual maintenance of common open space areas. The City levies annual assessments within each OSD to cover the costs of maintenance associated with each OSD area of maintenance. Once City Council approves the annual assessments, they are sent to the County for inclusion on the secured property tax bills of each affected parcel.

Each year the City Council must take two actions before levying the annual assessments. The first step includes Council approval of the Engineer’s Report on Open Space Districts, declaration of the City’s intention to levy the annual assessments and setting the date and time for a public hearing. The second action is conducting the public hearing, consideration of public testimony, and authorization to levy annual assessments and confirmation of the amount to be collected.

On May 17, 2022, City Council conducted the initial step in the process for Open Space Districts 1 thru 11, 14, 15, 17, 18, 20 (Zones 1 through 6, 8 and 9) 23, 24, 26, 31, 33, Eastlake, Town Center and Bay Boulevard Maintenance Districts. City Council approved Resolutions 2022-111 through 2022-115 and set the date of the public hearing, for the above districts, for June 21, 2022. Due to the cancellation of the June 21, 2022 Council Meeting, staff is requesting that Council Amend Resolutions 2022-111 through 2022-115 to move the date of the public hearing to the Council Meeting of July 12, 2022.

Additionally, Item F on the May 17, 2022 Council Staff Report was not approved due to two property-related conflicts and the absence of one council member. Staff is requesting that Council adopt Resolution F to approve the Engineer’s Report, declaring the intention to levy and collect assessments; and set a public hearing for July 12, 2022 regarding the Fiscal Year 2022/23 assessments for Open Space District 20, Zone 7.

### **Standard Notice Process for Annual Levy**

Upon approval by City Council, the public hearing will be noticed pursuant to Government Code 6061, which requires that a notice be published in a newspaper of general circulation at least 10 days before the public hearing. Tonight’s resolution approves this report and sets the date and time for a public hearing to consider the levy of assessments and the collection of the funds.

## **DECISION-MAKER CONFLICT**

Staff has reviewed the property holdings of the City Council and has found that potential conflict exists; in that members have property holdings within 500 feet of the Open Space District listed below by City Council member. Consequently, pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(a)(7), this item presents a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.) for the member(s) identified below:

- With regard to Resolutions B-E the conflicts set forth in the Staff Report dated May 17, 2022, remain as stated therein.
- With Regard to Resolution F. Mayor Salas and Council Member McCann: For Open Space District 20, Zone 7.

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

## **CURRENT-YEAR FISCAL IMPACT**

There is no impact to the General Fund as a result of amending Resolutions 2022-111 through 2022-115, as this is to modify the public hearing date for the stated Open Space Districts from June 21, 2022, to July 12, 2022.

For Fiscal Year 2022-23, the full cost of providing landscape maintenance services in Open Space District 20, Zone 7 totals \$318,857. In addition to the landscape maintenance services costs, \$3,000 in planned projects will be included in Fiscal Year 2022-23. All landscape maintenance costs, and planned project expenditures are recovered through the OSD collectibles and reserves of each Open Space District. Given this, there is no direct impact to the General Fund as a result of adopting Resolution F.

## **ONGOING FISCAL IMPACT**

There are no direct ongoing fiscal impacts to the General Fund.

## **ATTACHMENTS**

1. May 17, 2022 council item No. 22-0142 Staff Report and Resolutions

*Staff Contact: Sarah Schoen, Director of Finance*