



DATE: June 23, 2020

TO: Mayor and City Council

FROM: Maintenance Services Director

SUBJECT: Engineer's Report MD-2: Adopt a Resolution to Approve the Final Engineer's Report, Confirm the Maximum Base Assessment Rate, Confirm the Fiscal Assessment Rate, Confirm the Assessment Diagram, Order the Levy and Collection of Fiscal Assessment; and Adopt a Resolution to Approve Funding Recommendations and Appropriate Revenue and Expenditure Budgets for Maintenance District No. 2 - Eden Shores Storm Water Buffer and Facilities, for Fiscal Year 2021

RECOMMENDATION

That Council adopts two resolutions (Attachment II, III):

1. Approving the Engineer's Report,
2. Confirming the Maximum Base Assessment (MBA) amounts,
3. Confirming the Fiscal Assessment Rate,
4. Confirming the Assessment Diagram,
5. Ordering the Levy and Collection of the Fiscal Assessment,
6. Approving the Funding Recommendation, and
7. Appropriating Revenue and Expenditure budgets for Maintenance District No. 2 for Fiscal Year 2021.

SUMMARY

Maintenance District No. 2 (MD No.2) was established in 2003 to fund the operation, maintenance, and replacement of a water buffer and storm water pre-treatment pond that borders the Eden Shores residential community. Property owners in MD No.2 are also property owners in the Landscape and Lighting Assessment District 96-1, zone 10. Based on staff's review of the district's financial position, staff is recommending no change to the FY 2021 assessment rate from the previous year, set at \$198.95. If the City Council adopts the attached two resolutions (Attachment II and III), the Final Engineer's Report (Attachment IV) will be approved, the revenue and expenditure budgets will be appropriated, and the final Assessor's tax roll will be prepared and filed with the County Auditor's Office allowing the assessments to be included in the FY 2021 tax roll.

BACKGROUND

In compliance with Section 10-10.25 of the Hayward Municipal Code, an annual Engineer's Report is required to be submitted to the City Council for MD No.2 and is included as Attachment IV.

On June 24, 2003, by way of Resolution 03-102, the City Council ordered the formation of MD No.2 to provide for the maintenance and operation of a water buffer and storm water pre-treatment facility. The water buffer consists of landscaping, recirculating pumps and filters, maintenance roads, a pedestrian bridge, and anti-predator and perimeter fencing. The benefit zone includes three residential tracts in Eden Shores (7317, 7360, 7361) totaling 534 homes. The funds collected from the property owners within MD No.2 pay for the annual operation and maintenance, along with contributing to a capital reserve fund, which will be utilized to repair or replace sections of fencing, pumps, or bridge components in the future.

A 2010 agreement between the City and the Alameda County Flood Control and Water Conservation District (Flood Control District) vests responsibility for the annual maintenance and operation of the pre-treatment storm water pond with the Flood Control District. The 2010 agreement states that the Flood Control District concurred with the acceptance of the pond, subject to MD No.2 providing the Flood Control District with sufficient funds to operate, maintain, and provide for capital replacement and modifications that may become necessary for the optimal performance of the pond.

DISCUSSION

Based on staff's review of the district's financial position, staff is recommending no change to the FY 2021 assessment rate from the previous year, set at \$198.95.

FISCAL AND ECONOMIC IMPACT

There is no fiscal impact to the City's General Fund from this recommendation because expenditures are to be funded directly by assessment rates levied against each benefited property in MD No.1.

There may be an economic impact to property owners due to COVID 19. Property assessments are included together in the Alameda County property tax bills. Due to COVID 19 and a State of California Order, an Alameda County property tax waiver is available for those who have been impacted by COVID 19 (Attachment VI). Information is available at <https://treasurer.acgov.org/index.page> or by calling 510-272-6800.

STRATEGIC ROADMAP

This is a routine operational item and does not relate to any of the projects outlined in the Council Strategic Roadmap.

PUBLIC CONTACT

City staff: 1) mailed a postcard notice to all affected property owners to provide details of their recommended FY 2021 assessment rate, and to alert them to two meetings where they could provide input (June 2 and June 23); 2) provided an online survey to measure maintenance satisfaction¹; 3) published a legal notice in the East Bay Times on June 12, 2020 (Attachment VII); and 4) presented a Consent Item² to the City Council on June 2, 2020, whereas Resolution No. 20-067 was approved adopting a resolution of intention to primarily approve the FY 2021 Engineer's Report and set June 23, 2020 as the date for this public hearing.

NEXT STEPS

If the City Council adopts the two attached resolutions (Attachment II and III), the Final Engineer's Report (Attachment IV) will be approved, the revenue and expenditure budgets will be appropriated, and the final Assessor's tax roll (Attachment VIII) will be prepared and filed with the County Auditor's Office allowing the assessments to be included in the FY 2021 tax roll.

Prepared by: Denise Blohm, Management Analyst

Recommended by: Todd Rullman, Maintenance Services Director

Approved by:



Kelly McAdoo, City Manager

¹ Online Survey: www.hayward-ca.gov/benefitzone

² City Council Consent Item 20-261 dated June 2, 2020:

(<https://hayward.legistar.com/LegislationDetail.aspx?ID=4548860&GUID=3E6A6804-9B23-49EC-9BC3-CDB1595D9244>)