



DATE: June 4, 2024

TO: Mayor and City Council

FROM: Director of Maintenance Services

SUBJECT: Adopt a Resolution of Intention to Preliminarily Approve the Engineer's Report and Levy Assessments for Fiscal Year 2025 for Maintenance District No. 2 – Eden Shores Storm Water Facilities and Water Buffer, and Set June 25, 2024, as the Public Hearing Date

RECOMMENDATION

That Council adopts a resolution (Attachment II) of intention to approve the Preliminary Engineer's Report (Attachment III), levy assessments for FY 2025, and set June 25, 2024 as the public hearing date.

SUMMARY

Maintenance District No. 2 (MD 2) was formed in 2003 to fund the ongoing operation, maintenance, administration, and capital replacement of the water buffer and storm water facilities that border the Eden Shores residential community. This annual report is being provided, as required by the Hayward Municipal Code, to approve the annual assessment rate and expenditure budget.

BACKGROUND AND DISCUSSION

On June 24, 2003, the Council ordered the formation of MD 2 to provide for the maintenance, operation, administration, and capital replacement of a water buffer and storm water pre-treatment facility. The water buffer consists of landscaping, recirculating pumps and filters, maintenance roads, pedestrian bridge, and anti-predator and perimeter fencing. The Eden Shores Maintenance District includes three residential tracts (7317, 7360, 7361) totaling 534 homes. The funds collected from the property owners within MD 2 pay for the ongoing annual operation, maintenance, administration, and capital contribution to operate and maintain this important infrastructure. Capital funds are collected and maintained so that the district has the financial resources available to utilize to repair or replace sections of fencing, pumps, or bridge components in the future.

In compliance with Section 10-10.25 of the Hayward Municipal Code, an annual Engineer's Report is required to be submitted to the Council. The report is attached (Attachment III), and includes:

- (1) Description of the improvements to be operated, maintained, serviced, and replaced;

- (2) FY 2025 recommended budget;
- (3) FY 2025 recommended assessment rate; and
- (4) Map of the benefit zone (assessment diagram).

Based upon revenues required to fund operations and maintenance, and maintain a capital replacement fund, staff is recommending a FY 2025 per parcel charge of \$272.17, which is an increase the assessment rate from FY 2024 (\$264.24).

FISCAL AND ECONOMIC IMPACT

Staff has evaluated the District's fund balance and concurs that funds are adequate for FY 2025. There is no anticipated fiscal impact to the City's General Fund associated with this action, as all expenses will be paid using funds held in reserve by MD2.

STRATEGIC ROADMAP

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

PUBLIC CONTACT

City staff: 1) mailed a postcard notice to property owners to let them know of their recommended FY 2025 assessment rate, and to alert them to three Public meetings where they could provide input (May 29, June 4, and June 25); 2) held a virtual community meeting via Zoom on May 29; and 3) will publish a legal notice in the East Bay Times on or before June 14, 2024.

NEXT STEPS

Following this Council meeting, the City is proposing to hold a public hearing on June 25, 2024, to provide an opportunity for any interested person to be heard. After the public hearing, the Council may adopt a resolution setting the annual assessment amount as originally proposed or as modified. Following the adoption of this resolution, the final assessor's roll will be prepared and filed with the County Auditor's office to be included on the FY 2025 tax roll. Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report. If the Council adopts the attached resolution of intention, it will hold a noticed public hearing on June 25, 2024, to consider approving the Engineer's Report and ordering the levy of assessments for FY 2025.

Prepared by: Manny Grewal, Management Analyst

Recommended by: Todd Rullman, Director of Maintenance Services

Approved by:

A handwritten signature in blue ink, appearing to be 'JC' or similar, with a stylized, cursive flourish.

Dustin Claussen, Interim City Manager