



**DATE:** June 25, 2024

**TO:** Mayor and City Council

**FROM:** Director of Maintenance Services

**SUBJECT:** 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 2025

## **RECOMMENDATION**

That the City Council adopts two resolutions (Attachment II and III):

1. Approving the Engineer's Report (Attachment IV)
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 2025.

## **SUMMARY**

Maintenance District No. 2 (MD2) 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 MD2 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 an increase to the FY 2025 assessment rate from the previous year, from \$264.24 to \$272.17. 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 2025 tax roll.

## **BACKGROUND AND DISCUSSION**

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 MD2 and is included as Attachment IV.

On June 24, 2003, by way of Resolution 03-102, the City Council ordered the formation of MD2 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 MD2 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 MD2 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.

Based on the staff's review of the district's financial position, staff is recommending an increase to the FY 2025 assessment rate from the previous year, from \$264.24 to \$272.17.

## **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 MD2.

## **STRATEGIC ROADMAP**

This is a routine operational item and does not relate to any of the three Council Strategic Initiatives.

## **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 15, 2024.

## **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 V) will be prepared and filed with the County Auditor's Office allowing the assessments to be included in the FY 2025 tax roll.

*Prepared by:* Manny Grewal, Management Analyst

*Recommended by:* Todd Rullman, Director of Maintenance Services

Approved by:



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Dustin Claussen, Interim City Manager