



Legislation Text

File #: 22-0129, **Version:** 1

Department of Transportation, at the request of the Sundance Trail Zone of Benefit, recommending the Board adopt and authorize the Chair to sign Resolution **024-2022** setting for election a measure to consider a special tax increase from \$300 per parcel to \$600 per parcel commencing Fiscal Year (FY) 2023-24, and annually adjusted for cost of living using the California Construction Cost Index until reaching a maximum rate of \$1000, to provide road improvement and maintenance services in the Sundance Trail Road Zone of Benefit 98109 within County Service Area 9; noting that the measure will be submitted to the zone electorate on the ballots distributed for the Election to be held June 7, 2022. (Supervisor District: 4)

FUNDING: County Service Area Zone of Benefit Special Taxes.

DISCUSSION / BACKGROUND

On August 27, 1984, the Board formed Sundance Trail Zone of Benefit by Resolution 276-84 for the purposes of providing road improvement and maintenance services throughout the affected area. On June 21, 1989 the Board approved Resolution 166-89 for the fiscal year 1989-90, for zone operations to be funded through a benefit assessment of \$100 on each parcel within the zone..

The Policy and Procedure Guidelines for Creation and Administration of Zones of Benefit within a County Service Area (Guidelines), amended version adopted June 2, 1987, provided for the zone advisory to make recommendations regarding the level of the annual assessments to be placed on the tax roll.

Prior to November 6, 1997 the effective date of Articles XIIC and XIID of the California state constitution, also known as Proposition 218, the zone of benefit advisory committee recommended an assessment/service charge be continued to fund zone operations at \$280 per parcel.

On February 10, 2015, Legistar 14-1292, Item 29, the Guidelines were amended for consistency with current state laws regarding benefit assessments and special taxes.

The Sundance Trail Road Zone of Benefit advisory committee has determined that the existing benefit assessment amounts per parcel are no longer sufficient to provide the level of road maintenance services desired by the residents and property owners in the zone. At the April 20, 2021 General Meeting, the committee and residents recommended the County conduct an election for the registered voters in the zone to again consider a measure to increase the zone's special tax of \$300 on each parcel of land, to replace the current special tax. The proposed special tax represents an increase of \$300 initially and an increment increase to reach a maximum of \$1000 for each improved parcel.

The zone committee provided the minutes of the April 20, 2021 meeting and additional correspondence with the residents, which reflect the recommendation for the ballot measure.

On June 8, 2021, Legistar 21-078, Item 56, Department of Transportation recommended to the Board

to direct Community Development Services Finance and Administration to fully recover all administrative and indirect costs associated with the Zone of Benefit program by equitably charging each Zone their fair share of these costs based on the number of parcels within the zone, at an approximate 8% administrative cost increase; and direct the Department of Transportation to provide guidance to each Zone regarding the following topics: Options and consequences if a Zone of Benefit's balance falls below a minimal sustainable amount to cover fixed insurance and County administrative costs; pursue an election to increase Special Taxes collected per parcel to cover the increasing costs of maintenance, road materials, and administration; dissolution of a Zone of Benefit should a Zone want to avoid County administrative and insurance costs.

The Registrar of Voters has determined there are 87 (87) voters registered within the Sundance Trail Road Zone boundaries. Upon Board approval of the resolution setting the measure for election, the measure will be included on the ballots distributed to the zone electorate for the Election on June 7, 2021.

ALTERNATIVES

The Board may choose not to approve the Resolution setting the measure for election. While there is no guarantee the measure will pass, without the election there is no opportunity for the voters in the zone to consider the measure to increase funding for zone activities.

PRIOR BOARD ACTION

See Discussion / Background section above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and the Registrar of Voters

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

The estimated cost for conducting the election is approximately \$2,000. Actual costs will be determined on a time and materials basis, and will be paid from the zone funds.

There are forty (40) parcels in the Sundance Trail Road Zone of Benefit subject to the \$300 annual assessment/service charge, and the total zone revenue is \$12,000. Should the measure receive the required two-thirds majority votes in favor of the increase, the annual special tax amount would generate a revenue of approximately \$24,000 for FY 2023-24 and \$40,000 at maximum rate for zone operations. It is anticipated that this increase will cover current costs for maintenance and administration.

Should the measure fail to receive the two-thirds majority vote, the current annual assessment/service charge will not be increased, but will continue to be collected at \$300 per parcel for annual revenue to the zone remaining at \$12,000.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Clerk of the Board will obtain the Chair's signature on one (1) original of the Resolution.
- 2) The Clerk of the Board will provide one certified copy of the Resolution to the Department of Transportation, attention of Brittany Simon for further processing.

STRATEGIC PLAN COMPONENT

Public Safety, Good Governance and Infrastructure

CONTACT

Rafael Martinez, Director

Department of Transportation