



Legislation Text

File #: 22-0959, **Version:** 1

Department of Transportation recommending the Board adopt and authorize the Chair to sign Resolution **098-2022** setting for election a measure to consider a special tax increase to provide street and highway lighting services in the Highlands Village Lighting Zone of Benefit 98507 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 November 8, 2022. (Supervisory District: 1)

FUNDING: County Service Area Zone of Benefit Special Taxes. (100%)

DISCUSSION / BACKGROUND

On September 25, 1984, the Board of Supervisors formed the Highlands Village Lighting Zone of Benefit No. 98507 by Resolution 307-84 to provide street and highway lighting.

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. Assessments were set annually by resolution of the Board, as allowed under County Service Area laws at the time.

Prior to November 6, 1996, the effective date of Articles XIII C and XIII D of the California state constitution, also known as Proposition 218, the zone of benefit advisory committee recommended an annual assessment/service charge to fund zone operations at \$86 per parcel, and it has been collected annually since Fiscal Year (FY) 1995-96.

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

For the first time since the formation of the Highlands Village Lighting Zone of Benefit No. 98507, expenditures have exceeded the annual revenue. After a thorough evaluation, rising utility rates show to be the major contributing factor.

The Registrar of Voters has determined there are one hundred seventy-four (174) voters registered within the Highlands Village Lighting Zone boundaries. Transportation has determined an annual special tax amount of \$140 for each parcel of land, whether it is improved or unimproved regardless of use, is reasonable and sufficient to provide street and highway lighting services within the zone of benefit for the fiscal year 2023-24, and thereafter. 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 scheduled Election on November 8, 2022.

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
Registrar of Voters

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

The estimated cost for conducting the election is approximately \$750. Actual costs will be determined on a time and materials basis and will be paid from the zone funds. There are seventy-eight (78) parcels in the Highlands Village Lighting Zone of Benefit, each subject to the current assessment amount of \$86 annually, for total zone revenue of \$6,708. Should the measure receive the required two-thirds majority votes in favor of the increase, the annual benefit assessment shall be replaced with a special tax of \$140 per parcel. This will result in annual revenue of \$10,920, an increase of \$4,212 annually for zone operations.

Should the measure fail to receive the two-thirds majority vote, the assessment will not be increased, but will continue to be collected at \$86 per parcel. The annual revenue to the zone would remain at \$6,708, which is insufficient to provide the services required.

In the event the measure fails, the Board may initiate proceedings to dissolve the zone per the Policy and Procedure Guidelines for Creation and Administration of Zones of Benefit Within a County Service Area, Part IV, Section B(2), which allows for such action when zone revenues are insufficient to support zone activities.

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 Elizabeth Hess for further processing.

STRATEGIC PLAN COMPONENT

Public Safety, Good Governance and Infrastructure

CONTACT

Rafael Martinez, Director
Department of Transportation