



CITY OF POMONA

COUNCIL REPORT

May 6, 2019

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted By: Rene Guerrero, Interim Public Works Director

SUBJECT: Formation of the Phillips Ranch Landscaping and Lighting Maintenance Assessment District (and Consequent Reorganization of the City's Existing Consolidated Citywide Street Lighting and Landscaping Maintenance District)

RECOMMENDATION:

It is recommended that the City Council adopt the following Resolution:

RESOLUTION NO. 2019-46 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA APPROVING THE ENGINEER'S REPORT, DECLARING ITS INTENTION TO FORM THE PHILLIPS RANCH LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT (PHILLIPS RANCH LLMD), AND TO PROVIDE FOR THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS IN SAID DISTRICT, SETTING A TIME AND PLACE FOR A PUBLIC HEARING, AND ORDERING THE INITIATION OF ASSESSMENT BALLOT PROCEEDINGS

EXECUTIVE SUMMARY: Staff is recommending that Council adopt Resolution 2019-46 (Attachment No. 1) to initiate proceedings to reorganize the territory currently known as Zones A and B within the City's existing Consolidated Citywide Street Lighting and Landscaping Maintenance District into its own separate assessment district, tentatively called the "Phillips Ranch Landscaping and Lighting Maintenance Assessment District." Additionally, it is necessary for Council to approve the draft Engineer's Report (Attachment No. 2) which sets forth the boundaries, assessments, and other details of the proposed "Phillips Ranch Landscaping and Lighting Maintenance District" ("District"). The formation of the new District, and any possible increase in the assessments, will be subject to a "majority protest" proceeding for the property owners within the District's territory in compliance with the California Constitution Article XIID and the Proposition 218 Omnibus Implementation Act Gov. Code Section 53730 et seq.

FISCAL IMPACT: The current actions being proposed will have no immediate fiscal impact. The fiscal impact to the current Phillips Ranch Zones A and B Assessment District Fund (Fund 256) and the General Fund (Fund 101) will be dependent upon the outcome of the “majority protest” proceeding, to be voted on by property owners to increase the assessment from \$272.89 to \$488.26 by the close of the public hearing on July 1, 2019.

PREVIOUS RELATED ACTION: On March 18, 2019, the City Council adopted a resolution initiating proceedings to establish a new assessment district as described herein, in what is currently the Consolidated Citywide Assessment District – Zones A and B. On November 19, 2018, the City Council adopted a Resolution awarding a contract to NBS Government Finance Group (NBS) to prepare the assessment engineer’s report and for other assessment consulting services related to the proposed Phillips Ranch Assessment District. On April 23, 2018, the City Council authorized the formation of the Phillips Ranch Assessment District Ad-Hoc Committee.

DISCUSSION: On April 23, 2018, the City Council approved the formation of the Phillips Ranch Assessment District Ad-Hoc Committee (Committee). The work of the Committee has resulted in a recommendation of an assessment level option for an area that has not had an assessment increase since the 1990’s. Any changes to the assessment amounts would be subject to a “majority protest” proceeding for the property owners within the Phillips Ranch Assessment District. The Committee is comprised of nine voting members and one alternate who volunteer their time bi-monthly to meet and design a plan for the Assessment District.

To assist the Committee in developing financial and service level alternatives, the City hired NBS to prepare the Engineer’s Report for the Phillips Ranch Landscaping and Lighting Assessment District, describing the proposed boundaries of the new District along with proposed assessments to property based upon special benefit. NBS worked with the City Attorney to ensure the report meets local, state, and federal regulations, including compliance with Proposition 218 and appropriate assessment district regulations.

At this point, Council is being asked to approve the Engineer’s Report and to adopt a Resolution declaring its intent to form the new District and to levy assessments within that District. If the Council adopts the Resolution, Proposition 218 requires that the City mail a minimum 45-day notice of a public “majority protest” hearing to all property owners within the District subject to the assessment, outlining the proposed District and assessment, and include a written ballot for the property owner to cast either in support or against the proposed District and assessment. NBS will handle the noticing and protest ballot process.

Council is scheduled to hold the public hearing on July 1, 2019. If there is no “majority protest” after the conclusion of the hearing, the Council may establish the proposed District and approve the proposed assessment. If approved by the property owners, NBS will submit the appropriate materials to Los Angeles County by the FY 2019-20 property assessment deadline.

The Committee reviewed the Benefit Analysis and Engineer’s Report for the Phillips Ranch Landscaping and Lighting District and recommended that a new District be formed with a new assessment that will be an increase over the current Zones A and B assessment in the Citywide District, from \$272.89 to \$488.26. The Committee concluded that the increase will help fund deferred maintenance needs relating to street lighting and trees, landscape, and open space maintenance. Staff recommends that the City form a new District to cover the territory of the

current Zones A and B, titled the “Phillips Ranch Landscaping and Lighting Maintenance Assessment District”, and that Council also approve the proposed assessment as set forth in the Engineer’s Report.

After the conclusion of the Public Hearing on July 1, 2019, assessment ballots will be tabulated. At the July 15, 2019, City Council meeting, the Council would confirm the results and take action to either approve the new District and its assessments or proceed with the assessment process for the existing Consolidated Citywide Street Lighting and Landscaping Maintenance District

Alternative:

The City Council is being asked to declare its intent to form the new “Phillips Ranch Landscaping and Lighting Maintenance Assessment District”, order the mailing of the ballots, approve the draft Engineer’s Report for the Phillips Ranch Landscaping and Lighting Maintenance Assessment District, and set a public hearing date for July 1, 2019 to discuss the matter and receive the final ballots.

The City Council has the following alternative:

- 1) Do not adopt the attached Resolution thereby rejecting the Ad-Hoc Committee’s recommendation. Should Council not adopt the attached Resolution, there will not be a ballot measure to increase the current assessment from \$272.89 to \$488.26. The assessment will remain at the same rate it has been since 1994 and the territory known as Phillips Ranch Zones A and B of the Consolidated Citywide District will continue.

Prepared by: Shandy Dittman, Senior Management Analyst

ATTACHMENTS:

Attachment No. 1 – Resolution Approving the Draft Engineer’s Report, Declaring its Intention to Form the Phillips Ranch Landscaping and Lighting Maintenance Assessment District (Phillips Ranch LLMD), and to Provide for the Levy and Collection of Annual Assessments in Said District, Setting a Time and Place for a Public Hearing, and Ordering the Initiation of Assessment Ballot Proceedings

Attachment No. 2 – Engineer’s Report for Phillips Ranch Landscaping and Lighting Maintenance Assessment District