



CITY OF POMONA

COUNCIL REPORT

June 3, 2019

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted By: Rene Guerrero, Interim Public Works Director

SUBJECT: CITY VOTE REGARDING THE FORMATION OF THE PHILLIPS RANCH LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

RECOMMENDATION: It is recommended that the City Council authorize the City Manager to cast ballots and vote “yes” on behalf of the City of Pomona for the proposed formation of the Phillips Ranch Landscaping and Lighting Maintenance Assessment District and corresponding increase to the assessment for all of the City-owned parcels currently located within the existing Consolidated Citywide Street Lighting and Landscaping Maintenance District Zones A and B.

EXECUTIVE SUMMARY: The City owns six assessed properties within the existing Consolidated Citywide Street Lighting and Landscaping Maintenance District Zones And B. Staff is recommending that Council authorize the City Manager to vote “yes” to reorganize the territory currently known as the “A and B zone” within the City’s existing Consolidated Citywide Street Lighting and Landscaping Maintenance District into its own separate assessment district proposed to be called the “Phillips Ranch Landscaping and Lighting Maintenance Assessment District.” The City Manager has the authority to cast ballots (refer to Attachments 1-6 for the sample ballot for each City property) on behalf of the City of Pomona.

FISCAL IMPACT: The fiscal impact to the current Phillips Ranch Zone 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 in the Phillips Ranch area to increase the assessment from \$272.89 to \$488.02 by the close of the public hearing on July 1, 2019. Should the assessment increase to \$488.02, the amount the City will be assessed will increase from \$1,637.34 to \$2,928.11 annually for the six properties that are owned by the City and assessed in this District. Additional funding from the increased assessment will help sustain the necessary maintenance of landscaping and lighting in this District.

PREVIOUS RELATED ACTION: On May 6, 2019, the City Council passed a resolution declaring its intent to form the new “Phillips Ranch Landscaping and Lighting Maintenance Assessment District”, ordering the mailing of the ballots, approving the draft Engineer’s Report for the Phillips Ranch Landscaping and Lighting Maintenance Assessment District, and setting a public hearing date for July 1, 2019 to discuss the matter and receive the final ballots. 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 – Zone A and B. On November 19, 2018, the City Council adopted a Resolution awarding a contract to NBS to prepare the assessment engineer's report and for other assessment consulting services related to the new 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 1990s. Any changes to the assessment amounts would be subject to a "majority protest" proceeding for the property owners within the Phillips Ranch Assessment District.

To assist the Committee in developing financial and service level alternatives, the City hired NBS Government Finance Group. NBS has prepared the Engineer's Report for the Phillips Ranch Landscaping and Lighting Assessment District, which describes 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.

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, which outlines the proposed District and assessment, and includes a written ballot for the property owner to cast either in support or against the proposed District and assessment. NBS handled the noticing and ballot process.

The City owns six assessed parcels within the existing Consolidated Citywide Street Lighting and Landscaping Maintenance District Zones A and B. As such, the City is a stakeholder and has the same opportunity to cast its vote as any other property owner for each parcel it owns. Should the current assessment of \$272.89 not increase to \$488.02, it is likely that maintenance levels in Phillips Ranch will decrease and will have to be prioritized for safety issues requiring future additional funding from the General Fund. Council is being asked to direct the City Manager to vote "yes" on the proposed ballot measure and to cast ballots on behalf of the City of Pomona for the six parcels.

The Council is scheduled to hold a public hearing on July 1, 2019. The following day, assessment ballots will be tabulated. If there is no "majority protest", the Council may establish the proposed District and approve the proposed assessment. NBS will submit the appropriate materials to Los Angeles County by the FY 2019-20 property assessment deadline.

On July 15, 2019, there will be a final City Council meeting to confirm the results and take final action. If there is a "majority protest," the new District cannot be formed. If not, the Council

may order the new District be established and the new assessment be levied. The new District will supersede the current Zone A and B assessment in the Citywide District.

ALTERNATIVES: The City Council has the following alternatives:

- 1) Authorize the City Manager to vote “yes” and cast ballots on behalf of the City of Pomona for the proposed formation of the Phillips Ranch Landscaping and Lighting Maintenance Assessment District and corresponding increase to the assessment for all of the City-owned parcels currently located within the existing Consolidated Citywide Street Lighting and Landscaping Maintenance District Zones A and B. The result of the votes will be tabulated along with the votes of other property owners in the District after the close of the Public Hearing on July 1, 2019.
- 2) Authorize the City Manager to vote “no” and cast ballots on behalf of the City of Pomona for the proposed formation of the Phillips Ranch Landscaping and Lighting Maintenance Assessment District and corresponding increase to the assessment for all of the City-owned parcels currently located within the existing Consolidated Citywide Street Lighting and Landscaping Maintenance District Zones A and B. The result of the votes will be tabulated along with the votes of other property owners in the District after the close of the Public Hearing on July 1, 2019.
- 3) Choose to abstain and not indicate a particular preference on the ballots in order to permit the entire outcome to be driven by private property owners, with the exception of the School District if they choose to vote.

Prepared by:

Shandy Dittman
Senior Management Analyst

ATTACHMENTS:

Attachment No. 1 – Notice of Public Hearing and Assessment Information for Assessor’s Parcel Number: 8708-014-900

Attachment No. 2 – Notice of Public Hearing and Assessment Information for Assessor’s Parcel Number: 8708-014-901

Attachment No. 3 – Notice of Public Hearing and Assessment Information for Assessor’s Parcel Number: 8708-014-902

Attachment No. 4 – Notice of Public Hearing and Assessment Information for Assessor’s Parcel Number: 8708-014-903

Attachment No. 5 – Notice of Public Hearing and Assessment Information for Assessor’s Parcel Number: 8708-014-904

Attachment No. 6 – Notice of Public Hearing and Assessment Information for Assessor’s Parcel Number: 8708-014-905