

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS - LAND USE
WEDNESDAY, MAY 24, 2023**

MINUTE ORDER NO. 11

**SUBJECT: SET HEARING FOR JUNE 28, 2023:
PUBLIC HEARING TO CONFIRM FISCAL YEAR 2023-24 LEVIES IN THE
SAN DIEGO COUNTY STREET LIGHTING DISTRICT AND LANDSCAPE
MAINTENANCE DISTRICT ZONES NO. 1 - RANCHO SAN DIEGO AND NO. 2
- JESS MARTIN PARK AND RELATED CEQA EXEMPTION
(DISTRICTS: ALL)**

OVERVIEW

Special districts are created in order to provide new or enhanced local services and infrastructure to specific communities. The special districts in today's action were created to fund community parks and streetlights in the unincorporated areas of the region. Services are primarily funded by property owners and paid through assessments that are collected through the tax roll, reducing administrative costs from billing and payment collection. District boundaries, services, and maximum rates were established by voters or as a condition of development at the time of formation. The method for calculating how much each parcel pays is established in the ordinance adopted at the time of formation and may be based on a variety of factors, commonly including the type of land use, or parcel acreage. The rate cannot exceed the maximum amount in the adopted ordinance without voter approval from affected property owners. At the time of formation, residents in some districts voted to include cost escalators in their ordinances, which allow the maximum rate to increase each year to keep pace with inflation. The most commonly used cost escalator is the Consumer Price Index (CPI), which measures the cost of consumer goods.

Board of Supervisors Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* directs departments to recover the full cost of services provided to the residents of special districts. County of San Diego (County) staff reviewed budgets for the three districts included in today's action to determine if revenues were adequate for services or if rates should be adjusted. Staff determined the proposed rates for Fiscal Year (FY) 2023-24 are needed to continue to fund services and to ensure compliance with Board Policy B-29. Rates are also necessary to maintain financial reserves to fund future services, facility repairs, emergency repairs, improvements, and replacements. The proposed rates subject of today's action is in accordance with Articles XIII A-D of the California Constitution (Proposition 218) as amended to date and are within maximum rates set forth in each district's adopted ordinance; and therefore, do not require voter approval from affected property owners. Under Proposition 218, voters must approve the formation of the special district and the maximum amount that can be collected from property owners.

San Diego County Street Lighting District

The San Diego County Street Lighting District is managed by the County Department of Public Works (DPW). The Street Lighting District funds the operations and maintenance of public streetlights across the unincorporated areas of San Diego county. The proposed annual assessment rate will remain at the current amount of \$2.00 per single-family residence. The current assessment is sufficient to continue to fund the operation and maintenance of streetlights for the next fiscal year.

Landscape Maintenance District Zone No. 1 - Rancho San Diego

Landscape Maintenance District Zone (LMDZ) No. 1 - Rancho San Diego - is managed by the County Department of Parks and Recreation (DPR) to fund ongoing park operation, maintenance, and improvements within the unincorporated community of Rancho San Diego in District 4. The proposed annual assessment rate will increase by 3% from \$37.46 to \$38.58 per single-family residence. The increase is due to the annual inflation of goods and services, based on a 6.45% escalation in the Consumer Price Index for 2022, with a voter-approved maximum cost escalator of 3%. The additional revenue will support ongoing services. Without the additional revenue, services would be reduced, resulting in deferred maintenance and more costly future repairs. The proposed rate is within the maximum in the ordinance and does not require voter approval from affected property owners for this action.

Landscape Maintenance District Zone No. 2 - Jess Martin Park

LMDZ No. 2 - Jess Martin Park - is managed by DPR to fund ongoing maintenance of amenities and construction of minor capital improvements at Jess Martin Park in the unincorporated community of Julian in District 2. The proposed annual assessment rate will remain at the current amount of \$47.82 per single-family residence. The voters did not approve an annual cost escalator at the time of the district's formation; however, the Board did approve an allocation of County General Purpose Revenue (GPR) to offset the benefit from park visitors who do not reside in the district. Since there is no proposed rate increase a vote from affected property owners is not required for this action. The proposed rate is sufficient to fund services for FY 2023-24.

This is a request to adopt resolutions to confirm assessments and authorize levies for three special districts administered by DPW and DPR. Upon adoption, the assessments will be placed on the tax roll for FY 2023-24. The deadline to place these assessments on the FY 2023-24 tax rolls is August 10, 2023. These actions are discretionary after consideration of public testimony.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) as specified under Section 15301 of the State CEQA Guidelines because the activity in question addresses funding mechanisms for maintenance of existing streetlight and landscape facilities and services involving negligible or no expansion of existing or former use.
2. Accept and approve the Engineer's Reports for the San Diego County Street Lighting District and Landscape Maintenance District Zones No. 1 - Rancho San Diego and No. 2 - Jess Martin Park.
3. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER IMPROVEMENTS FOR THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT and set a hearing for June 28, 2023.
4. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 1, and set a hearing for June 28, 2023.
5. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 2, and set a hearing for June 28, 2023.

If, on May 24, 2023, the Board takes the actions recommended in Items 1-5, then on June 28, 2023, a public hearing will be conducted, and the following recommendations will be considered:

6. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT.
7. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 1.
8. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 2.

EQUITY IMPACT STATEMENT

Today's action continues the County's commitment to provide programs and services that enhance our communities. Assessments and special taxes fund services for special districts which improve the health, safety, and economic interests of local communities. Levying charges on the Fiscal Year (FY) 2023-24 tax rolls for the County of San Diego and San Diego County Street Lighting District will have a direct impact on communities throughout the unincorporated areas of the county. These levies fund street lighting and community park services to residents of approximately 117,000 parcels. Special district revenues also offset the need for the County to fund these services, which allow additional County funds to be allocated towards services in underserved communities.

SUSTAINABILITY IMPACT STATEMENT

Today's action supports the County's Sustainability Goals to protect the health and wellbeing of residents, provide just and equitable access to County services, and make investments in energy efficiency by continuing to fund the operation, maintenance, and improvements of streetlights and parks. Streetlights enhance the health and safety of all residents and visitors who utilize County roads. Regular streetlight maintenance protects the health and wellbeing of everyone in the region and supports economic sustainability by preventing more costly maintenance treatments in the future. The Street Lighting District also supports the County's goal to invest in energy efficiency and reduce greenhouse gas emissions through the conversion of streetlight assets to LED fixtures. Specific LED fixtures are installed within dark sky designated communities to reduce light pollution and maintain compliance with the County's Dark Sky Ordinance. The nine County parks included in this action provide access to outdoor recreation and nature. Funding the operation and maintenance of these parks aligns with the County's sustainability goals to promote the health and wellbeing of citizens and allowing equitable access to County facilities.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2023-24 CAO Recommended Operational Plan in the Departments of Public Works and Department of Parks and Recreation. There is no proposed change in the assessment for the San Diego County Street Lighting District and Landscape Maintenance District Zone No. 2 - Jess Martin Park. A rate increase is proposed for Landscape Maintenance District Zone No. 1 - Rancho San Diego. If approved, this request will result in total revenue of approximately \$275,988 for the Street Lighting District, \$182,716 for LMDZ No. 1 - Rancho San Diego, and \$99,843 for LMDZ No. 2 Jess Martin Park. The funding source for this request comes from property owner paid assessments and a portion of countywide property tax revenue. There will be no change in net General Fund cost and no additional staff years.

The proposed assessment levies are evaluated annually in an amount sufficient to recover the full cost as required by Board Policy B-29: *Fees, Grants, Revenue Contracts-Department Responsibility for Cost Recovery*. Accordingly, there is no projected unrecovered cost, and a waiver of Board Policy B-29 is not needed. The funding source is assessment levies on property owners within the identified districts.

If the Board of Supervisors does not adopt the resolutions, the proposed assessments cannot be placed on the tax rolls for FY 2023-24. Without the funds generated by the assessments, services for street lighting and landscape maintenance would be greatly reduced unless other funding sources are identified.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Anderson, seconded by Supervisor Desmond, the Board of Supervisors took action as recommended, adopting the following:

Resolution No. 23-052, entitled: RESOLUTION OF INTENTION TO ORDER IMPROVEMENTS FOR THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT;

Resolution No. 23-053, entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 1;

Resolution No. 23-054, entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 2; and,

Set a hearing for June 28, 2023, to further consider and adopt the Resolutions.

AYES: Vargas, Anderson, Lawson-Remer, Desmond

ABSENT: (District 4 Seat Vacant)

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter



MAY 24, 2023