



COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
DEPARTMENT OF PUBLIC WORKS
950 MAIDU AVENUE, NEVADA CITY, CA 95959-8617
(530) 265-1411 FAX (530) 265-9849 www.mynevadacounty.com

Trisha Tillotson
Community Development Agency Director

Heba El-Guindy
Director of Public Works

NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: May 23, 2023

TO: Board of Supervisors

FROM: Heba El-Guindy, Director of Public Works

SUBJECT: **Resolution to Amend the parcel charges for County Service Area 22-6B Ranch Estates, Zone 1 – District 4**

RECOMMENDATION:

1. Hear the Department of Public Works staff presentation on the County Service Area (CSA) 22-6B Ranch Estates, Zone 1 election.
2. Conduct a public hearing to hold a Proposition 218 election to amend the parcel charges for CSA 22, Zone 1.
3. Determine if a majority protest of property owners exists to amend the parcel charges. If written protests are received from 50% or more of the affected property owners and those protests are not withdrawn by the end of the hearing, the proposed amendment shall be abandoned for at least one year (Streets & Highways Code 1162.5 (d))
4. If a majority protest does not exist, direct staff to count the mail-out election ballots received by the Clerk of the Board regarding the CSA assessment amendment.
5. If a majority of the received votes support the amended CSA parcel charges, then adopt the attached Resolution authorizing the amended parcel charges for CSA 22 Zone 1 and collection of the parcel charges. If a majority of the received votes does not support the amended CSA parcel charges, no further action is needed.

FUNDING: Funds will be collected annually from special assessments charged to applicable parcels within the CSA. There is no impact on the General Fund and no budget amendment is needed.

BACKGROUND: CSA 22-6B Ranch Estates, Zone 1, located off of McCourtney Road was first developed in 1980, reorganized in 1987, and revised again in 2006 for the purpose of providing road maintenance services within the CSA. CSA 22 Zone 1 is made up of 37 parcels that include Thoroughbred Loop (8,800ft), Scotts Drive (516ft), Khalid Court (885ft) and Swaps Court (505ft).

The Board of Supervisors adopted Resolution 80-81 forming CSA 22-6B Ranch Estates, Zone 1 on March 10, 1980. The CSA did not include an inflationary adjustment mechanism.

Of the 37 parcels currently assessed in Zone 1, 34 are improved and 3 are unimproved. Presently the improved parcel is charged \$171 per year and the unimproved parcel is charged \$139 per year.

Proposition 218 was enacted on July 1, 1997, which limited local government's ability to charge and assess fees. The fees have not been raised commensurate with actual costs since that time. As a result, the total \$6,231 which is collected each year for road maintenance does not accrue enough funding for routine operations such as micro-surfacing every 7-10 years and paving every 20-30 years.

In order to better fund road maintenance within CSA 22 Zone 1, the following three measures are proposed to be implemented:

- Increase the parcel charges to a point that aligns with current construction costs. For FY 2023/24 a parcel charge of \$285 per year for undeveloped parcels and \$350 per year for developed parcels.
- Implement a 5% annual escalation factor that will begin in FY 2024/25 and end in FY 2044/45.
- Add an additional \$1,000 charge to each parcel to recuperate emergency funds. This will be paid in addition to the parcel charge in three equal installments over the next three years. \$333.32/parcel in FY 23/24, \$333.32/parcel in FY 24/25, and \$333.36/parcel in FY 25/26.

The parcel charge increase plan was proposed by the residents of the CSA and aligns with the anticipated needs of the CSA as determined by the County engineer (Engineer's Report attached). The 5% annual escalation factor for the next 20 years will ensure that the parcel charges keep pace with inflation during that time. The additional initial \$1,000 charge per parcel will give the CSA much needed emergency funds in the short term for unforeseen events.

The Resolution of Intent to amend the parcel charges and conduct a ballot proceeding was approved by the Board on March 28, 2023, by Resolution 23-132. Public hearing notices (sample attached) were mailed to the affected property owners on or before March 31, 2023, per the requirements of the Government Code. Notice was also posted in the local newspaper The Union pursuant to Streets & Highways Code Sections 1164 and 1196.

This item requires a public hearing. If a written majority protest of affected owners exists, the Board need not take any further action. If there is no majority protest, the Board should direct the Clerk of the Board to open and count the ballots. If more than half of the assessment ballots submitted are in favor of the amended parcel charge, then the Board may amend the parcel charges for County Service Area 22-6B Ranch Estates Zone 1 and adopt the attached Resolution.

Item Initiated by: Elijah Larimer, Assistant Civil Engineer
Approved by: Heba El-Guindy, Director of Public Works

Submittal Date: May 3, 2023
Revised Date: May 9, 2023