



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Community Development and Infrastructure

Subject: CSA No. 17, Empire Acres Benefit Assessment Rates for Fiscal Year 2025-26

Meeting Date: February 11, 2025

Formal Title: Accept and approve Engineer's report for proposed Fiscal Year 2025-26 assessment rates for County Service Area (CSA) No. 17, Empire Acres, adopt resolution setting the public hearing for April 8, 2025, at 9:00 a.m., and take related actions

Recommended Actions

1. Accept and approve the Engineer's Report for the proposed Fiscal Year 2025-26 assessment rates for County Service Area (CSA) No. 17, Empire Acres;
2. Adopt resolution setting April 8, 2025, at 9:00 a.m. or thereafter as the date and time for public hearing on the proposed benefit assessment rates for the CSA;
3. Adopt resolution of intention to authorize and levy an assessment to provide funding for road maintenance within CSA No. 17, Empire Acres;
4. Direct the Clerk of the Board to publish a summary notice of the public hearing once a week for two weeks prior to the hearing in a newspaper of general circulation;
5. Approve the notice of public hearing, ballot procedure, and sample ballots for the proposed Fiscal Year 2025-26 assessment for the CSA; and
6. Direct Community Development and Infrastructure to mail ballots at least 45 days prior to the public hearing to the record owners of properties that are subject to the proposed assessment within the CSAs.

Executive Summary

County Service Area No. 17, Empire Acres, located in Santa Cruz, wishes to increase their benefit assessment rate by \$75 for Fiscal Year 2025-26 and thereafter to fund road maintenance and operations services to benefit the properties within the CSA.

Attached for the Board's approval is the engineer's report, resolution of intention, a resolution setting a public hearing, sample ballots, and a summary notice of public hearing as required by Proposition 218. Board approval will result in mailing of the ballots to the affected parcel owners.

Discussion

A County Service Area (CSA) can be formed by residents who wish to pay for extra services that are not provided by their local government agency. CSA fees are considered benefit assessments, and any new rate or rate increase (except for pre-approved annual Consumer Price Index (CPI) increases) must comply with Proposition 218 procedures. These procedures require that the setting of a new rate is approved by at least half of the votes cast by the property owners, with the votes weighted according to the amount of the proposed assessment of each parcel. Furthermore, a

public hearing must be held to consider any protests to the proposed rate.

Community Development and Infrastructure received notification from County Service Area No. 17, Empire Acres, that they wish to increase their benefit assessment rate for the 2025-26 fiscal year.

The new rates are identified in summary in the attached engineer's report and in detail in that attached Special Assessments Value Report. The attached sample ballots, notice of public hearing, and resolutions are all per Board established rules for conducting a ballot proceeding for assessments under Article XIID, Section 4 of the California State Constitution.

CSA No. 17, Empire Acres in Santa Cruz consists of 53 parcels, 2 of which are not assessed as they are of token value, owned by a utility water company, have an assessed valuation of \$5,000 or less, or are unbuildable. Currently, the 51 parcels are assessed at \$125 annually. CSA No.17 proposes to increase the assessment for each parcel by \$75. Assessments will be levied on the 51 parcels at \$200 per parcel per year

The Board's approval of this item will allow the Notice of Public Hearing to be released, as well as mailing of the ballots to affected parcel owners. The affected parcel owners may contact their CSA representatives and/or the Department of Public works at (831) 454-2160 if they have questions. Ballots may be delivered in-person or mailed to 701 Ocean Street, Room 410, Santa Cruz, CA 95060. The public may also attend the Public Hearing on April 8, 2025, at 9:00 a.m. at 701 Ocean Street, Room 525.

Financial Impact

The proposed benefit assessment will continue to provide an adequate source of funding for the road maintenance operations of CSA No. 17, Empire Acres. CSAs are self-funded, and Fiscal Year 2025-26 assessment will have no General Fund impact.

The proposed increase affects No. 17, Empire Acres only, Fund 22150, GL Key 622150 GL Object 41582. If passed, the Election will increase revenue by \$3,825.00 annually, for total Fiscal Year 2025-26 annual assessment revenue of \$10,200.00. If the election does not pass, Fiscal Year 2025-26 revenue for the CSA will be the prior year's amount of \$6,375.00.

Strategic Initiatives

Operational Plan - Comprehensive Health & Safety, Reliable Transportation

Submitted By:

Matt Machado

Recommended By:

Carlos J. Palacios, County Administrative Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.