



San Bernardino County

Legislation Text

File #: 10439, Agenda Item #: 69

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE FOLLOWING:
SAN BERNARDINO COUNTY
BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

July 9, 2024

FROM

NOEL CASTILLO, Director, Department of Public Works - Special Districts

SUBJECT

Various Actions Pertaining to Increased Property Related Service Charge for County Service Area 70, Zone R-21 Mountain View

RECOMMENDATION(S)

1. Acting as the governing body of County Service Area 70, Zone R-21 Mountain View:
 - a. Adopt the certified results of the mailed ballot property owner election held on May 10, 2024, regarding the proposed increase of an annual property related service charge from \$90 per parcel to \$804.62 per parcel for 10 years, effective 2024-25, to fund a Capital Improvement Project to repave Mountain View Boulevard from N. Division Drive east and ending at the Big Bear Airport property line.
 - b. Adopt Resolution that:
 - i. Repeals portions of Resolution Nos. 87-314 and 87-315 initially establishing an annual property related service charge of \$90 per parcel for road maintenance and snow removal services for County Service Area 70, Zone R-21 Mountain View.
 - ii. Authorizes a new property related service charge of \$804.62 per parcel per year for 10 years, effective 2024-25, to fund a Capital Improvement Project to repave Mountain View Boulevard from N. Division Drive east and ending at the Big Bear Airport property line for County Service Area 70, Zone R-21 Mountain View.
 - c. Reaffirm that the Auditor-Controller/Treasurer/Tax Collector is directed to place the \$804.62 per parcel service charge on the property tax roll beginning in 2024-25 for 10 years, to fund a Capital Improvement Project to repave Mountain View Boulevard from N. Division Drive east and ending at the Big Bear Airport property line for County Service Area 70, Zone R-21 Mountain View.
 - d. Approve the Capital Improvement Program - County Service Area 70, Zone R-21 Mountain View Road Paving Project in the amount of \$160,844.
 - e. Adopt Resolution that accepts a loan in the amount of \$160,844 from the County Service Area Revolving Loan Fund and stating the necessity for borrowing funds in order to fund the County Service Area 70, Zone R-21 Mountain View Road Paving Project, with the loan, including interest, being repaid within 10 years of disbursement (Four votes required).
 - f. Authorize the Auditor-Controller/Treasurer/Tax Collector to post 2024-25 budget adjustments, as indicated in the Financial Impact section, for the County Service Area 70, Zone R-21 Mountain View Road Paving Project (Four votes required).

- 2. Acting as the governing body of San Bernardino County:
 - a. Adopt Resolution approving a loan in the amount of \$160,844 from the County Service Area Revolving Loan Fund for the County Service Area 70, Zone R-21 Mountain View Road Paving Project, with the loan, including interest, being repaid within 10 years of disbursement.
 - b. Authorize the Auditor-Controller/Treasurer/Tax Collector to record the \$160,844 loan from the County Service Area Revolving Loan Fund to County Service Area 70, Zone R-21 Mountain View, if approved.

(Presenter: Noel Castillo, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost).

All costs associated with the property related service charge increase of County Service Area 70, Zone R-21 Mountain View (District) will be paid by the property owners within the District. The District currently generates annual revenue of \$2,160 (24 parcels at \$90 per parcel) through the existing property related service charge. This revenue is currently used to fund road maintenance and snow removal services.

The \$160,844 loan from the County Service Area Revolving Loan Fund is needed to fund the County Service Area 70, Zone R-21 Mountain View Road Paving Project (Project). The District will repay this loan, including interest at the County Treasurer rate, with revenue from the approved per parcel service charge by the property owners residing in the District. The new service charge will generate annual revenue of \$19,310.88 (24 parcels at \$804.62 per parcel), effective Fiscal Year 2024-25, for a period of 10 years.

The item also authorizes the Auditor-Controller/Treasurer/Tax Collector to post the following 2024-25 budget adjustments that will allow the District to proceed with the Project:

Fund Center	Commitment Item	Description	Action	Amount
4800001630	40909985	Long-Term Debt Proceeds	Increase	\$160,844
4800001630	54104010	Improvements to Land	Increase	\$160,844

BACKGROUND INFORMATION

In 1987, the District was formed to provide road maintenance and snow removal services for approximately 1,290 linear feet of roadway of Mountain View Boulevard in the Big Bear area. When the District was formed, a \$90 per parcel annual service charge was established. However, there was no inflationary factor built into the service charge and therefore the \$90 annual charge has remained unchanged. Had an inflationary factor of 3% been included since 1987, the per parcel service charge would now be approximately \$253 per year. With the annual cost of inflation over the past 36 years, and the lack of a corresponding increase in revenue, it has resulted in reduced services being provided to the District. Without immediate action to increase the annual service charge, the District's long-term sustainability and solvency is threatened.

Property owners residing in the District contacted the Department of Public Works - Special Districts (Department) staff regarding the provision for enhanced services. Following meetings, information letters, and public surveys, a written notice of public hearing, pursuant to Proposition 218 requirements, for the proposed increase to the property related service charge was mailed on December 15, 2023, to the record owner of each identified parcel upon which the service charge was proposed for imposition. The notice included the amount of the charge proposed to be imposed upon each parcel; basis upon which the amount of the proposed charge was calculated; reason for the charge; and notice of the February 27, 2024 public hearing date, time, and location on the proposed increase service charge.

On February 27, 2024 (Item No. 73), the Board of Supervisors (Board) conducted the public hearing for the proposed increased property related service charge to hear and consider all protests against the proposed increase. No protests were received at the protest hearing. Therefore, at the conclusion of the public hearing, the Board determined that a majority protest of property owners did not exist and thus adopted Resolution No. 2024-23 authorizing a mailed ballot election of property owners, pursuant to the requirements of Proposition 218 and the California Constitution, Article XIID, Section 6(c), to establish the service charge revision to \$804.62 per parcel effective 2024-25. The Resolution established April 12, 2024, or any day thereafter, as the mailed ballot election date to be voted on by property owners within the District.

The Department is returning to the Board to adopt the certified election results for the District's proposed service charge. The ballots were mailed by an independent election provider on March 10, 2024, and received by May 10, 2024 (the official election date). The proposed property related service charge was approved by a majority vote (10 Approve, Four Reject - 71.43%) of the property owners in the District.

Approval of this item will adopt a Resolution repealing portions of Resolution No. 87-314, and 87-315, related to the annual service charge of \$90 per parcel, and establish a revised service charge of \$804.62 per parcel per year, effective 2024-25, to fund the Project. Pursuant to Board action dated February 27, 2024 (Item No. 73), the Auditor-Controller/Treasurer/Tax Collector is directed to place this service charge of \$804.62 per parcel on the property tax roll beginning in 2024-25, subject to approval from the California State Board of Equalization and this item reaffirms that action. Approval of this item will also adopt a Resolution accepting the loan and stating the necessity for the borrowing is for the purpose of funding the Project.

After the Project is complete, the road will meet County standard. A formal resolution will be drafted and brought forth to the Board for official acceptance into the County Maintained Road System. The resolution and accompanying documents will be recorded and the County will assume responsibility for road maintenance moving forward.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Aaron Gest, Deputy County Counsel, 387-5455) on July 2, 2024; Auditor-Controller/Treasurer/Tax Collector (Franciliza Zyss, Chief Deputy, 382-3176) on June 12, 2024; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on June 20, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on June 20, 2024.