



Legislation Text

File #: 19-0452, **Version:** 1

Recommendation to adopt resolution preliminarily approving the Engineer's Report and mailing of benefit assessment ballots for the Mosquito and Vector Control Program (VCP) to property owners within the boundaries of the proposed benefit assessment district; setting the date of Tuesday, July 2, 2019 for the public hearing on the proposed VCP benefit assessment;

On October 2, 2018, the City Council approved a contract with SCI Consulting Group (SCI) to research the feasibility of establishing a benefit assessment district to fund mosquito and vector control in areas of the City not currently covered by a benefit assessment. On March 19, 2019, the City Council received the results of the public opinion survey and feasibility analysis (Attachment A), and directed staff to continue the process for a new funding measure, to prepare an Engineer's Report and the notice and ballot for a Proposition 218 (Prop. 218) benefit assessment, providing new or enhanced services to control mosquitoes and other vectors in the Vector Control Program (VCP) service area. The dedicated funding generated by the proposed assessment district would support an enhanced level of service above the baseline level established in the Engineer's Report. This enhanced level of service would include increasing staff capacity to provide year-round control of invasive mosquitoes and other pests using environmentally sound methods, and to monitor public health issues, such as West Nile virus, Zika, Typhus, and other emerging vector-borne diseases.

If approved, the proposed VCP assessment will be included on the vector service area property owner's next annual tax bill. Thus, an important timing consideration is the Los Angeles County Auditor's (LACo Auditor) requirement to have any new levies submitted by August 9, 2019.

Meeting the LACo Auditor's requirement is a key driver in establishing project milestones, as identified below:

May 7	City Council meeting with request to approve Prop. 218 procedures, engineer's report and direct mailing of ballots.
May 17	Mail assessment ballots (must be out 45 days).

July 2	City Council public hearing. Closes balloting and calls for tabulations; announces ballot results and, if approved, establishes district and orders levies.
August 9	Submit assessment levies to Los Angeles County Auditor for FY 20.
December 2019	Assessment funding provided to City Treasurer.

Two Resolutions and a public hearing are requirements for this process.

Resolution #1

The first Resolution preliminarily approves the Engineer's Report, orders the mailing of notices and ballots to property owners within the boundaries of the proposed assessment district, and sets July 2, 2019 as the date for the public hearing on the proposed assessments.

The total assessment and rates are based on the level of benefit received and are shown in Section 5 of the Resolution. These rates are classified in four categories (Zone A, Zone B, Zone C, and Zone D), with Zone A receiving the highest level of benefit. It should be noted that approximately 99 percent of parcels in the benefit assessment area are in Zone A, at a Single Family Equivalent rate of \$8.21 per year. The remaining zones are assessed at a slightly lower rate.

The cost escalator mechanism describing the changes in the maximum assessment rate, calculated in accordance with the Los Angeles Area Consumer Price Index (CPI), is contained in Section 9 of the Resolution.

The Engineer's Report (Attachment B) is the technical document associated with the proposed benefit assessment. The report was prepared by SCI and details the benefits from the proposed assessments, the method of assessment, an estimate of cost and budget for the assessments, and justification of the proposed assessments. The main sections of the Engineer's Report are:

- The CPI calculation in this report allows for an increase of up to 3 percent annually, to keep up with the costs of providing services;
- The VCP services section was prepared by the Health and Human Services Department;
- The VCP preliminary budget;
- The Zones of Benefit were identified after review of service levels, consideration of the amount of surveillance work conducted in these areas, and population density and proximity factors;
- The Special Benefits section;

- The General Benefit calculations; and,
- The Method of Assessment.

For a geographical overview of the VCP benefit assessment district, please see the color-coded map provided at the end of the Engineer's Report. This map also depicts the Zones of Benefit referred to in the section above.

The public hearing on July 2, 2019 will conclude the 45-day ballot period, as required by State law governing the procedures for benefit assessment ballot proceedings. The public hearing is to give all interested parties the opportunity to hear comments regarding the proposed VCP assessment and ballot proceeding, and for the City Council to accept any additional ballots. Following the close of the public input portion of the public hearing, the City Clerk will tabulate the ballots and report the results.

Assuming the majority of weighted ballots cast are in favor of the measure, the City Council may consider a Resolution to levy the assessments for mosquito, vector and disease control for fiscal year 2019-20. The proposed assessments will initially generate an estimated \$753,474 for fiscal year 2019-20. In future years, the assessments may continue to be levied and the rate of assessment can be increased by the annual change in the CPI for the Los Angeles-Long Beach-Anaheim Area, not to exceed 3 percent per year, following the preparation of an updated Engineer's Report and the City Council's conducting a public hearing on the continuation of the assessments.

Resolution #2

The second Resolution adopts Prop. 218 ballot proceedings procedures, provides a record of the decisions regarding implementation of the provisions of Prop. 218 relating to assessments.

Upon consideration of the Engineer's Report and the two resolutions, the City Council may approve the Resolutions to move forward with a Prop. 218 benefit assessment mailed ballot measure. The ballots will seek approval from the impacted parcel owners for the formation of the VCP benefit assessment district. The Health and Human Services Department will return to the City Council on July 2, 2019 for the public hearing and the end of the 45-day ballot period.

This matter was reviewed by Deputy City Attorney Amy R. Webber on April 29, 2019 and by Budget Analysis Officer Julissa Jose-Murray on April 22, 2019.

City Council action is requested on May 7, 2019, to ensure the VCP benefit assessment milestones are achieved in compliance with LACo Auditor submission requirements.

If approved, the total level of funding for the proposed service area will be \$847,784 for FY 20. Of this amount, \$753,474 is estimated to be generated from the VCP benefit assessment

district and a general benefit contribution of a minimum of \$94,310 is projected to be provided by the Health Fund. In future years, the assessments may continue to be levied at the discretion of the City Council and the rate of assessment may be increased by the annual change in the CPI for the Los Angeles-Long Beach-Anaheim Area, not to exceed 3 percent per year, following the preparation of an updated Engineer's Report and the City Council's conducting a public hearing on the continuation of the assessments. This recommendation will result in minimal impact to staff hours beyond normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

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APPROVED:

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